Appendix 4E Unaudited Preliminary Financial Report

Current Reporting Period: Year ended 30 June 2026 (FY26)

Previous Corresponding Period (pcp): Year ended 30 June 2025 (FY25)

Results for announcement to the market

Unaudited Results	FY25	Direction	Change%		FY26
Revenue from ordinary activities	$6.9m	down	11%	to	$6.1m
Gross profit	$4.2m	down	34%	to	$2.8m
Loss before income tax	$6.2m	down	36%	to	$3.9m
Net loss from ordinary activities after tax attributable to members	$4.6m	down	14%	to	$3.9m
Net loss for the year attributable to members	$4.6m	down	14%	to	$3.9m

	30 June 2026	30 June 2025
Net tangible asset per ordinary security	$0.003	$(0.001)

Further detail of the above figures is set out on the following pages.

Dividends

There are no dividend or distribution reinvestment plans in operation and there have been no dividend or distribution payments during the financial year ended 30 June 2026 (30 June 2025: Nil).

Status of Audit

The financial information contained in this Appendix 4E is preliminary and unaudited. The audited Annual Report is being released subsequent to the Appendix 4E solely due to the anticipated receipt of contemporary third-party information related to the provision associated with the 2019 fire. The audit is otherwise well advanced, and the Group expects to release its audited Annual Report before the end of September 2026.

The provision in this Appendix 4E reflects management's best estimate based on available information at the date of this report. The provision recognised at 30 June 2026 is approximately $5.4 million. Contemporary third-party information expected before completion of the audit may result in a revision to management's current estimate.

Based on the status of the audit and consistent with the Group's prior reporting periods, the Company expects the independent auditor's report for the year ended 30 June 2026 to include a Material Uncertainty Related to Going Concern section drawing attention to Note 1.1.1 of the financial statements. The auditor's opinion is not expected to be modified in respect of this matter.

Financial year end summary

Results

The highlights of the Livium Ltd consolidated group (Livium) FY26 results are:

Sales of $6.1m, related to the recycling division (FY25: $6.9m). Associated recycling cost of sales was $3.3m (FY25: $2.7m). This delivered a Gross Profit of $2.8m for the period (FY25: $4.2m). Further financial information related to the recycling division, Envirostream, is described in the section below.

Loss before income tax for the year was $3.9m (FY25: $6.2m). The FY26 result was materially impacted by the one-off gain of $2.9m recognised on the establishment of the LieNA® joint venture, together with lower operating expenses following the Group's cost reduction and restructuring initiatives.

The key events reported during the period are listed below and are described in more detail in the various ASX Announcements made during the period.

Battery Recycling Vertical – Envirostream

Envirostream generated revenue of approximately $6.1m and gross profit of $2.8m, representing a gross margin of approximately 46%, and collected approximately 934 tonnes of batteries during FY26. Performance was influenced by changes in battery mix, timing of contracted volumes, project-based decommissioning activity and regulatory approvals.

During the year, Envirostream continued to expand and diversify its customer base, including entering into a Recycling Services Framework Agreement with CATL HK and extending and expanding its agreement with Sell & Parker. Envirostream also completed the recycling of Synergy's Alkimos Beach Community Battery Energy Storage System in Western Australia.

During the year, Livium entered into a five-year lease for its new centralised recycling Hub in Derrimut, Victoria, and completed the relocation of its head office and Laverton North operations to the facility. The Hub seeks to consolidate the Group's Victorian operations and provides infrastructure to support future growth in battery collection, dismantling, storage and processing capacity.

Other Recycling Verticals

Livium continued to develop recycling opportunities adjacent to its existing battery recycling operations, with activities focused on rare-earth element recovery, solar-panel recycling and black mass processing.

Rare-earth testwork conducted with the University of Melbourne achieved recovery rates of approximately 90% for neodymium and praseodymium and successfully scaled the process while maintaining recovery performance. Initial solar-panel recycling testwork with Iondrive achieved silver recovery exceeding 85%, while approximately 600 end-of-life solar panels were supplied to Won Kwang S&T for further technology testing and validation.

The Group also continued to evaluate opportunities to extend its participation in the battery-recycling value chain through black mass processing, including technical testing with Iondrive and discussions with Sumitomo Corporation regarding potential black mass offtake and broader collaboration.

Other Technologies

During FY26, Livium and Mineral Resources Limited established LieNA Pty Ltd as a 50:50 joint venture following completion of the agreed Stage 1A optimisation activities. The joint venture holds the patented LieNA® lithium-extraction technology. The joint venture is estimated to be funded through FY27.

VSPC continued to progress its proprietary technology for producing advanced LFP and LMFP cathode materials. During FY26, Livium advanced non-binding discussions with a large multinational industrial organisation regarding a potential strategic alliance and investment involving VSPC's technology, battery recycling and potential international growth opportunities. Discussions remain incomplete and no binding agreement has been entered into as at the date of the report. If the strategic alliance and investment process does not result in a binding and funded transaction, Livium intends to transition VSPC's current operations to care and maintenance by 31 December 2026, with limited activities continuing to preserve its technology, intellectual property and strategic assets while minimising ongoing expenditure.

Corporate

During the year, Livium continued to focus on disciplined capital management and cost control while allocating capital towards its recycling-centric strategy and preserving value from its non-core technology portfolio.

During the year, the Company completed a placement to existing shareholders and new institutional and sophisticated investors, raising gross proceeds of $4.5m through the issue of 360,000,000 fully paid ordinary shares at $0.0125 per share, together with one free-attaching option for each placement share. The proceeds were applied towards expanding national battery collections, consolidating operations into the centralised recycling facility and progressing the Company's rare-earth element, PV recycling and black mass initiatives.

During the year, Livium also received distributions totalling approximately $0.5m from its 50% interest in LieNA Pty Ltd, including distributions associated with R&D tax incentive proceeds received by the joint venture.

Financial Position

As at 30 June 2026, the Company has cash and cash equivalents of $2.3m (FY25: $3.8m).

At 30 June 2026, the Group’s working capital deficit, being current assets less current liabilities was $3.4m (30 June 2025: working capital deficit $6.2m). The working capital deficit for the financial year ended 30 June 2026 included a $5.4m provision for remediation for legal claims relating to a fire in January 2019 at the premises of Envirostream. The insurer has indemnified Envirostream, as policy holder, for claims made and has settled prior claims.

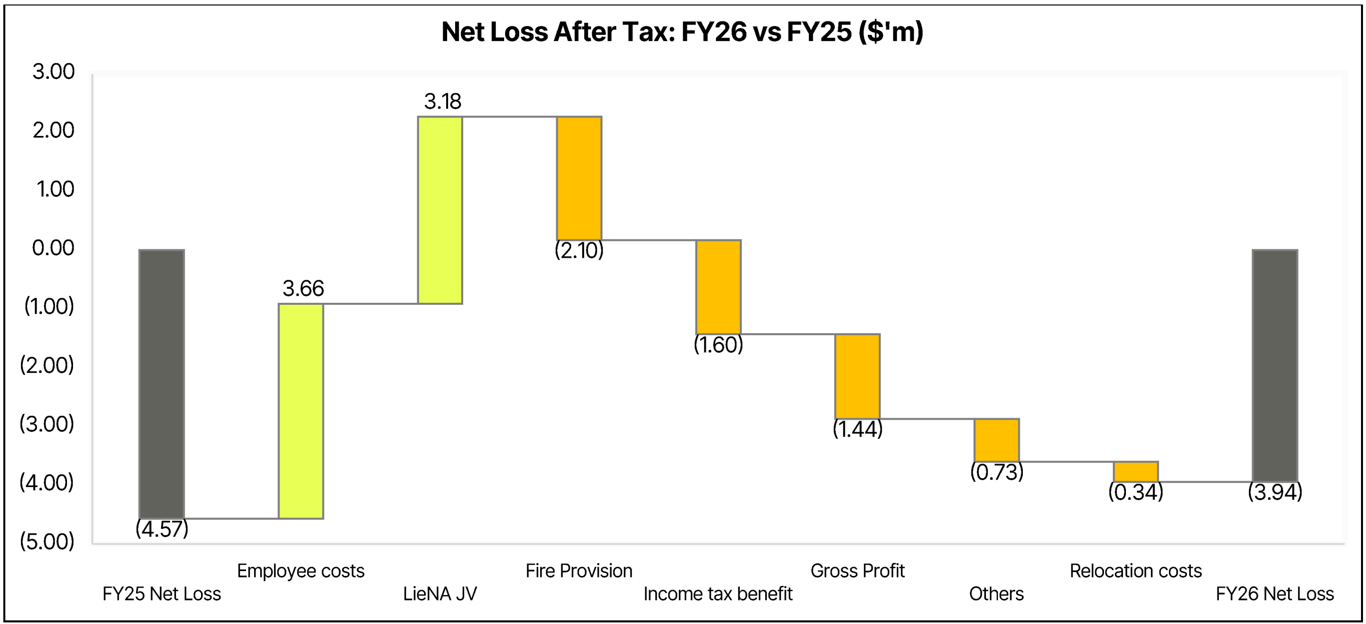
Earnings per share

	30 June 2026	30 June 2025
Basic (loss) per share in cents	$(0.20)	$(0.32)

Summary of Key Movements in the Financial Statements (FY26 versus FY25)

Net Loss Movement

The operating loss after income tax of the Group for the year ended 30 June 2026 was $3.94m (2025: loss of $4.57m). The key movements between the financial years are summarised in the following graphic:



Employee costs: Employee costs decreased compared with the prior corresponding period (**pcp**), primarily reflecting the workforce restructure undertaken in FY25, the absence of short-term incentive (STI) payments in the current year, and lower share-based payment expense.

LieNA® JV: The Group recognised a one-off gain on JV formation of approximately $2.9m and share of profit from the equity-accounted investment of approximately $0.3m (pcp: Nil).

Fire Provision: FY25 included an $2.1m reduction in the fire provision following a reassessment of the estimated liability based on new information obtained during the legal recovery process. No comparable adjustment has been recognised in FY26.

Income Tax Benefit: FY25 included an income tax benefit of $1.6m arising from the recognition of a Deferred Tax Asset. No corresponding income tax benefit was recognised in FY26.

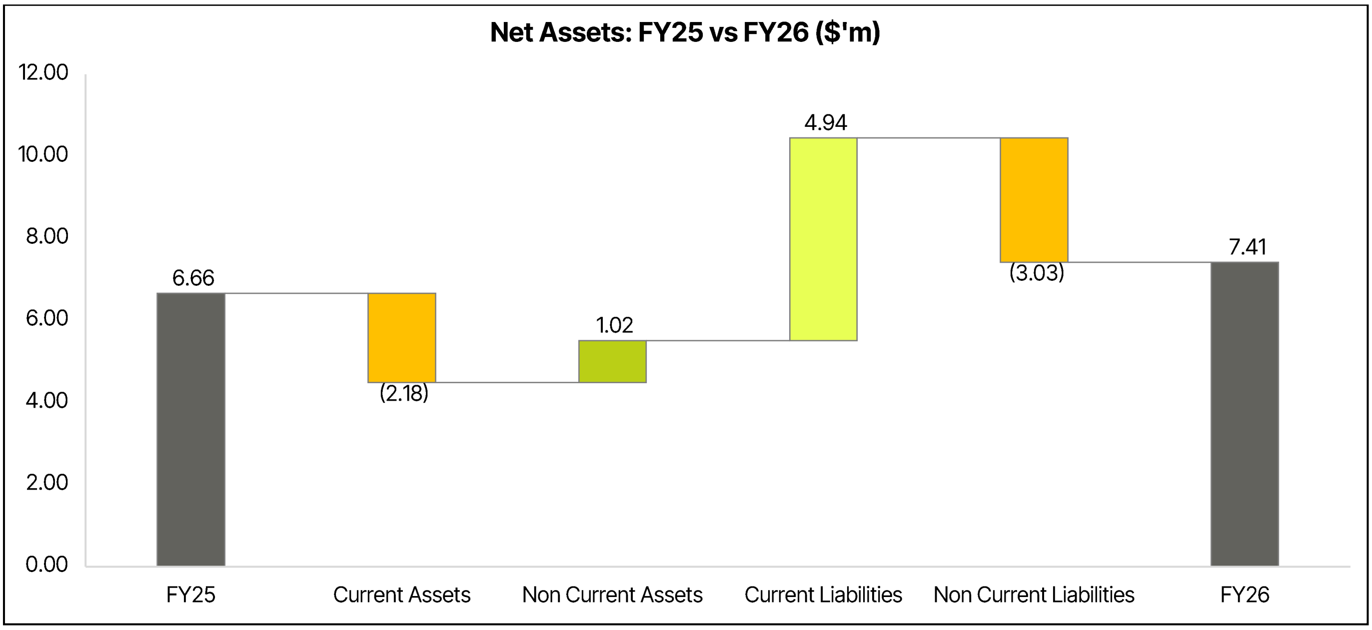
Gross Profit: Gross profit decreased compared with the prior corresponding period, primarily due to lower-than-expected lithium-ion battery collection volumes, resulting in lower sales volumes.

Others: Other movements primarily comprise changes in laboratory and plant expenses, selling and distribution costs, administration expenses, depreciation and amortisation, finance costs, other revenue and other operating expenses.

Relocation costs: Costs incurred in connection with the Group's site relocation activities during the year.

Net Asset Movement

Net assets of the Group for the year ended 30 June 2026 were $7.41m (2025: $6.66m). The key movements between the financial years are summarised in the following graphic:



Current Assets: Decreased primarily due to cash utilised during the year, the deconsolidation of LieNA® following formation of the joint venture, lower trade receivables and reduced battery inventories. These decreases were partially offset by proceeds from the $4.5m placement, gross of transaction costs, and the receipt of $1.3m in R&D tax incentive refunds. Financial assets increased primarily due to the establishment of a bank guarantee for the Derrimut facility, partially offset by the release of the bank guarantee for the Laverton site and the impairment of unlisted investments.

Non-Current Assets: Increased primarily due to the recognition of the Group's investment in the LieNA joint venture following its formation. This was partially offset by the deconsolidation of LieNA®, including the derecognition of intangible assets, and was further supported by the recognition of a right-of-use asset following commencement of the Derrimut lease in March 2026.

Current Liabilities: Decreased primarily following the conversion of the MinRes convertible note into equity upon the formation of the LieNA® joint venture on 8 August 2025.

Non-Current Liabilities: Increased primarily due to the recognition of the lease liability associated with the Derrimut facility following commencement of the lease in March 2026.

The Group's working capital position improved during the period, moving from a deficit of $6.2m at 30 June 2025 to a deficit of $3.4m at 30 June 2026. This improvement primarily reflects the conversion of the MinRes convertible note into equity upon formation of the LieNA joint venture. The working capital deficit at 30 June 2026 includes the $5.4m provision relating to the January 2019 Envirostream fire (FY25: $5.4m).

FY27 Outlook

Livium enters FY27 with battery recycling remaining its primary strategic focus. The Group's priorities are to grow recycling volumes and customer relationships, leverage its expanded infrastructure, progress selected adjacent recycling opportunities and maintain disciplined capital allocation.

Battery Recycling Vertical - Envirostream

- Grow and diversify contracted battery collection and recycling volumes, with a focus on emerging battery markets including electric vehicles and energy storage systems.
- Leverage the Derrimut Recycling Hub and recently commissioned Sell & Parker processing capacity to support increased battery volumes and improve operating efficiency.
- Progress the Group's national Hub-and-Spoke strategy, including assessment of expansion into priority regions.
- Continue to develop strategic customer and industry partnerships to support the growth and diversification of recycling volumes.
- Advance technology initiatives that improve battery identification, sorting and processing efficiency.

Other Recycling Verticals

- Progress the next phase of the rare-earth element recovery technology following successful Stage 1 testwork, with a focus on further scale-up and commercial assessment.
- Continue to progress the commercial pathway for PV panel recycling and assess opportunities for deployment in Australia.
- Progress black mass processing, offtake and strategic partnership opportunities, where commercially attractive.
- Continue to assess adjacent recycling opportunities that complement Envirostream's existing infrastructure, customer relationships and capabilities.

Other Technologies

- Continue to work with Mineral Resources Limited through the 50:50 LieNA® joint venture to preserve and progress the technology's commercialisation potential.
- Assess the outcome of the current strategic process and determine the appropriate pathway for VSPC with a focus on preserving shareholder value and minimising ongoing expenditure.
- In the absence of a binding and funded transaction, progress the transition of VSPC's operations to care and maintenance while preserving its technology, intellectual property and strategic assets.

2019 fire claim

- The remaining legal proceedings and associated insurer settlements are anticipated to progress toward conclusion during FY27. The Group will continue to reassess the related provision as further information becomes available.

Attachments

The audited Annual Report for the year ended 30 June 2026 is expected to be lodged in September 2026 following completion of the audit. The financial information attached to this Appendix 4E forms part of the preliminary unaudited financial report.

Authorised for release by the Livium Board.

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About Livium

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

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

Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties that are 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.

LIVIUM LTD

ACN 126 129 413

Preliminary Unaudited Financial Report

For the Year Ended 30 June 2026

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Livium

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income	Note	2026	2025
		$	$
Revenue from continuing operations	Note 2	6,129,366	6,908,312
Cost of sales		(3,336,118)	(2,678,049)
Gross profit		2,793,248	4,230,263
Finance income		94,936	123,645
Gain on establishment of joint venture	Note 4	2,889,491	-
Share of net profit of equity accounted investment	Note 5	291,349	-
Other income	Note 3	1,323,277	2,365,061
Laboratory/plant expense		(234,488)	(298,008)
Share based payment expense	Note 34	(536,833)	(1,675,419)
Employee benefits expense	Note 8	(6,395,185)	(8,912,886)
Selling and distribution expense		(422,796)	(899,644)
Administration costs		(1,492,889)	(1,480,176)
Depreciation and amortisation		(1,170,719)	(880,445)
Finance costs	Note 6	(147,443)	(745,693)
Remediation reversal/(provision)	Note 17	-	2,096,490
Other expenses	Note 8	(933,865)	(95,917)
Loss before income tax		(3,941,917)	(6,172,729)
Income tax benefit/(expense)	Note 9	-	1,604,928
Profit/(Loss) from continuing operations		(3,941,917)	(4,567,801)
Other comprehensive income			
Items that may not be reclassified subsequently to profit or loss:			
Net fair value gain on financial assets		-	148,120
Total comprehensive income/(loss) for the year		**(3,941,917)**	**(4,419,681)**
Profit/(Loss) for the year attributable to:			
Members of the controlling entity		(3,941,917)	(4,567,505)
Non-controlling interest		-	(296)
		(3,941,917)	(4,567,801)
Total comprehensive income/(loss) attributable to:			
Members of the controlling entity		(3,941,917)	(4,419,385)
Non-controlling interest		-	(296)
		(3,941,917)	**(4,419,681)**
Basic and diluted earnings/(loss) per share (cents per share)	Note 24	(0.20)	(0.32)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position for the Year Ended 30 June 2026

Consolidated Statement of Financial Position	Note	2026	2025
		$	$
Current assets			
Cash and cash equivalents		2,342,326	3,757,848
Trade and other receivables	Note 10	766,382	1,508,710
Inventory	Note 11	472,938	776,963
Financial assets	Note 12	887,132	601,492
Total current assets		4,468,778	6,645,013
Non-current assets			
Intangible assets	Note 13	1,553,398	8,815,014
Right of use asset	Note 16	3,998,155	701,604
Property, plant and equipment	Note 14	2,128,381	2,075,375
Investment in joint venture	Note 27	4,936,408	-
Deferred tax assets	Note 19	1,604,928	1,604,928
Total non-current assets		14,221,270	13,196,921
TOTAL ASSETS		**18,690,048**	**19,841,934**
Current liabilities			
Trade and other payables	Note 15	1,343,362	1,297,566
Lease liability	Note 16	859,245	560,773
Provisions	Note 17	5,683,735	5,879,852
Loans and borrowings	Note 18	-	5,089,504
Total current liabilities		7,886,342	12,827,695
Non-current liabilities			
Lease liability	Note 16	3,183,988	166,364
Provisions	Note 17	206,209	188,996
Total non-current liabilities		3,390,197	355,360
TOTAL LIABILITIES		**11,276,539**	**13,183,055**
NET ASSETS		**7,413,509**	**6,658,879**
Equity			
Issued capital	Note 21	108,929,969	104,244,844
Reserves	Note 22	3,713,800	4,641,690
Accumulated losses		(105,230,260)	(102,227,655)
TOTAL EQUITY		**7,413,509**	**6,658,879**

The above statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2026

Consolidated Statement of Changes in Equity	Issued Capital	Share Based Payment Reserve	Foreign Currency Translation Reserve	Other Reserves [1]	Accumulated Losses	Non-Controlling Interest	Total
	$	$	$	$	$	$	$
Year ended 30 June 2026							
Balance at 1 July 2025	104,244,844	3,065,318	38,275	1,538,097	(102,227,655)	-	6,658,879
Profit / (loss) for the year	-	-	-	-	(3,941,917)	-	(3,941,917)
Other comprehensive income							
Net fair value gain/(loss) on financial assets	-	-	-	-	-	-	-
Effects of exchange rates on foreign currency translation	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	(3,941,917)	-	(3,941,917)
Transaction with owners directly recording in equity:							
Issue of shares	5,006,200	-	-	-	-	-	5,006,200
Capital raising costs	(321,075)	-	-	-	-	-	(321,075)
Issue/amortisation of options	-	-	-	256,626	-	-	256,626
Conversion of performance rights/options	-	(520,000)	-	(27,198)	-	-	(547,198)
Expiry of options	-	-	-	(939,312)	939,312	-	-
Cancellation/lapsed of performance rights	-	(85,606)	-	(11,597)	-	-	(97,203)
Issue/amortisation of performance rights	-	399,197	-	-	-	-	399,197
Balance at 30 June 2026	**108,929,969**	**2,858,909**	**38,275**	**816,616**	**(105,230,260)**	**-**	**7,413,509**

1 Other Reserves consist of investment revaluation reserve, equity reserve and option reserve

The above statement of changes of equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity	Issued Capital	Share Based Payment Reserve	Foreign Currency Translation Reserve	Other Reserves [1]	Accumulated Losses	Non-Controlling Interest	Total
	$	$	$	$	$	$	$
Year ended 30 June 2025							
Balance at 1 July 2024	99,838,267	1,584,696	38,275	(754,087)	(96,548,148)	(796,846)	3,362,157
Profit / (loss) for the year	-	-	-	-	(4,567,505)	(296)	(4,567,801)
Other comprehensive income							
Net fair value gain/(loss) on financial assets	-	-	-	148,120	-	-	148,120
Total comprehensive loss for the year	-	-	-	148,120	(4,567,505)	(296)	(4,419,681)
Transaction with owners directly recording in equity:							
Issue of shares	5,810,647	-	-	-	-	-	5,810,647
Capital raising costs	(1,405,298)	-	-	-	-	-	(1,405,298)
Issue of options	-	-	-	1,714,724	-	-	1,714,724
Expiry of options	-	-	-	(623,170)	623,170	-	-
Options converted	1,228	-	-	(205)	-	-	1,023
Cancellation of performance rights	-	(114,685)	-	-	114,685	-	-
Issue/amortisation of performance rights	-	1,595,307	-	-	-	-	1,595,307
Transfer from investment revaluation reserve	-	-	-	1,052,715	(1,052,715)	-	-
Sale of consolidated entity	-	-	-	-	(797,142)	797,142	-
Balance at 30 June 2025	**104,244,844**	**3,065,318**	**38,275**	**1,538,097**	**(102,227,655)**	**-**	**6,658,879**

[1] Other Reserves consist of investment revaluation reserve, equity reserve and option reserve

The above statement of changes of equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the Year Ended 30 June 2026

Consolidated Statement of Cash Flows	Note	2026	2025
		$	$
Cash flows from operating activities			
Receipts from customers		6,855,435	6,830,726
Payments to suppliers and employees		(11,473,983)	(14,010,922)
Proceeds from Government grants and tax incentives		1,316,693	1,761,800
Interest and other costs of finance paid		(75,034)	(55,833)
Interest received		86,961	123,625
Net cash used in operating activities	Note 25	**(3,289,928)**	**(5,350,604)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(582,458)	(371,260)
Proceeds from sale of property, plant and equipment		10,909	45,487
Payment for intangible assets		(183,881)	(2,893,129)
Proceeds from sale of financial assets		-	1,361,124
Payments for other financial assets		(522,500)	(20,000)
Distribution received from joint ventures	Note 27	508,065	-
Cash and cash equivalents disposed on loss of control of subsidiary	Note 27	(665,436)	-
Net cash used in investing activities		**(1,435,301)**	**(1,877,778)**
Cash flows from financing activities			
Proceeds from issue of convertible debt securities		-	1,214,432
Proceeds from issue of shares	Note 21	4,500,000	6,260,790
Proceeds from exercise of options		-	1,203
Payments for capital raising costs		(344,290)	(528,967)
Payments for lease liabilities	Note 16	(798,868)	(718,669)
Net cash from financing activities		**3,356,842**	**6,228,789**
Net decrease in cash held		(1,368,387)	(999,593)
Cash and cash equivalents at the beginning of the year		3,757,848	4,749,073
Effects of exchange rates on consolidation of foreign subsidiary		(47,135)	8,368
Cash and cash equivalents at the end of the year		**2,342,326**	**3,757,848**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements for the Year Ended 30 June 2026

Note 1 Statement of material accounting policies

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

N1.1 Basis of Preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial report has been prepared on an accruals basis and is based on historical cost and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

N1.1.1 Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss of $3,941,917 (2025: Loss of $4,567,801) and net cash outflows from operating and investment activities of $4,725,229 (2025: $7,228,382) during the year ended 30 June 2026. As at balance date the Group had a working capital deficit of $3,417,564 (30 June 2025: $6,182,682 deficit).

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate given:

- The Group has the ability to defer discretionary costs as and when required;
- The Group is confident that claims made against Envirostream Australia Pty Ltd ("Envirostream") concerning damage caused by a fire at 31 Colbert Road, Campbellfield, Victoria, on 19 January 2019, are expected to be substantially covered by insurance, and that insurance recoveries will be sufficient to meet the related provision; and
- Given the Group's history of raising capital to date, the directors are confident of the Group's ability to raise additional funds as and when required. During FY26 the Company raised $4.5m, and subsequent to year end the Group entered into funding arrangements with The Lind Partners providing initial gross funding of $1.575m and launched a Share Purchase Plan, as disclosed under Subsequent Events.

The directors acknowledge that the cash flow forecast is dependent on achieving expected operating performance, actively managing discretionary expenditure and, if required, obtaining additional funding. After considering these matters, including the subsequent funding activities described above, the directors are satisfied that the Group will have sufficient resources to meet its obligations for at least 12 months from the date of signing this financial report and that the going concern basis of preparation is appropriate. If the Group's cash flow deviates from the cash flow forecast, a material uncertainty exists that cast significant doubt on the Group's ability to continue as a going concern, and it may be required to realise its assets and / or extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements.

The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

N1.2 Principles of Consolidation

The consolidated financial statements comprise the financial statements of Livium Ltd and its subsidiaries ("the Group"). The financial statements of subsidiaries are prepared for the same reporting period as the parent Group, using consistent accounting policies.

Adjustments are made to bring into line any dissimilar accounting policies that may exist. All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

N1.3 Principles of Consolidation

N1.3.1 Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instruments. For financial assets, this is equivalent to the date that the Group commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instruments are classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

N1.3.2 Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

a) the amount at which the financial asset or financial liability is measured at initial recognition;

b) less principal repayments;

c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and

d) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carry amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss. The Group does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial statements.

N1.3.2.1 Financial assets at fair value through profit and loss or through other comprehensive Income

Financial assets are classified at 'fair value through profit or loss' or 'fair value through other comprehensive income' when they are either held for trading for purposes of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss if electing to choose 'fair value through profit or loss' or other comprehensive income if electing 'fair value through other comprehensive income'.

N1.3.2.2 Financial liabilities

The Group's financial liabilities include trade and other payables, loan and borrowings, provisions for cash bonus and other liabilities which include deferred cash consideration and deferred equity consideration for acquisition of subsidiaries & associates.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, and payables, net of directly attributable transaction costs.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

N1.3.3 Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

N1.3.4 Derecognition

Financial assets are derecognised where the contractual rights to receipts of cash flows expire, or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risk and benefits associated with the asset. Financial liabilities are recognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

N1.3.5 Derivative Financial Instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on the nature of the derivative and are recognised in the statement of profit or loss.

Derivatives are classified as current or non-current depending on the expected period of realisation.

N1.4 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

N1.5 Trade and Other Receivables

Trade receivables are initially recognised at the transaction price and subsequently measured at amortised cost, less an allowance for expected credit losses. The Group applies the simplified approach under AASB 9 and recognises lifetime expected credit losses for trade receivables.

N1.6 Inventory

The Group values inventories at the lower of cost or net realisable value as determined primarily by the current relevant commodity price, using the weighted average cost method.

N1.7 Revenue

The Group's revenue streams include the collection of recycling material, collection infrastructure and sale of materials generated from processed recycled materials. Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

N1.8 Impairment of Assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually irrespective of whether a separate impairment indicator exists. Where an asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generated unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years.

A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation increase.

N1.9 Intangible Assets

N1.9.1 Intangible assets acquired separately

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life of the relevant intangible asset, taking into consideration the expected period of future economic benefit, operational use, commercialisation pathways and, where applicable, the remaining legal life of the underlying patents. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Useful life assessments involve significant judgement and are reassessed based on operational deployment, commercialisation activities, technology relevance and market conditions.

Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses and are not amortised. These assets, together with intangible assets that are not yet available for use, are subject to annual impairment testing and are also assessed for impairment indicators at each reporting date.

N1.9.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Amortisation of internally generated intangible assets commences when the asset is available for use, being when it is in the condition necessary for it to operate in the manner intended by management.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

N1.10 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

N1.11 Property, Plant and Equipment

IT equipment and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management. IT equipment and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses. Depreciation is recognised on a diminishing value basis to write down the cost less estimated residual value of IT equipment and other equipment.

The following useful lives are applied:

- IT equipment: 3-5 years
- Other equipment: 5-10 years
- Vehicles: 5 years

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

N1.12 Taxation

The Group adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit/loss from ordinary activities adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

N1.13 Trade and Other Payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

N1.14 Employee Benefits Provision

Provision is made for the Group's liability for employee benefits, comprising annual leave and long service leave, arising from services rendered by employees up to the reporting date.

Employee benefits expected to be settled wholly within 12 months after the reporting period are measured at the amounts expected to be paid when the liabilities are settled. Employee benefits not expected to be settled wholly within 12 months are measured at the present value of the estimated future cash outflows in respect of services provided by employees up to the reporting date.

N1.15 Share Based Payments

Fair value is measured by use of a binomial model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

N1.16 Investment in Joint Ventures

Investments in joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost and subsequently adjusted to recognise the Group's share of the joint venture's profit or loss and other comprehensive income. Distributions received from the joint venture reduce the carrying amount of the investment.

At each reporting date, the Group assesses whether there is objective evidence that the investment may be impaired. Where such evidence exists, the Group assesses the recoverable amount of the investment and recognises any impairment loss where the carrying amount exceeds its recoverable amount.

N1.17 Issued Capital

Issued and paid-up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

N1.18 Earnings Per Share

Basic earnings per share is calculated as net earnings attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for a bonus element.

Diluted EPS is calculated as net earnings attributable to members, adjusted for costs of servicing equity (other than dividends) and preference share dividends; the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that would have been recognised as expenses; and other non-discretionary changes in revenues or expenses during the year that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

N1.19 Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

N1.19.1 Key Estimates and Judgment – Impairment

The Group assesses at each reporting date whether there are indicators that non-financial assets and cash-generating units (CGUs) may be impaired and whether objective evidence of impairment exists for equity-accounted investments. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested annually for impairment irrespective of whether impairment indicators exist. Where impairment indicators are identified, or annual testing is required, the Group estimates the recoverable amount of the relevant asset or CGU. Recoverable amount is determined as the higher of value in use and fair value less costs of disposal, requiring management to apply significant judgement in selecting the appropriate valuation methodology and estimating future cash flows, discount rates, market assumptions and other key inputs. For investments accounted for under the equity method, management assesses whether objective evidence of impairment exists in accordance with AASB 128 and, where such evidence exists, tests the investment as a single asset under AASB 136. Changes in assumptions, market conditions or expected commercialisation pathways could result in impairment charges or reversals in future reporting periods.

N1.19.2 Key Estimates and Judgment – Taxation

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors' understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

N1.19.3 Key Estimates and Judgment – Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors' understanding thereof. At the current stage of the Group's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

N1.19.4 Key Estimates and Judgment – Provision for remediation and legal claims

The Group assesses the remediation and legal claims provisions at the end of each reporting period based upon the information available to the Group at the time, whilst ultimate outcomes of the matter may be dependent upon further legal and/or regulatory processes that cannot be predicted with certainty. The provision for remediation and legal claims represents the probability or possibility that settlement of the obligation would result in an outflow of resources and the ability to measure these costs reliably.

N1.19.5 Key Estimates and Judgment – R&D Tax Incentive

The Group applies significant judgement in determining whether its activities meet the eligibility criteria under the Research and Development Tax Incentive program, as established by the Industry Research and Development Act 1986 and associated regulations. This includes assessing whether the underlying projects constitute eligible core or supporting R&D activities, whether the activities are undertaken for the purpose of generating new knowledge, and whether the associated costs are directly attributable to those activities.

Key areas of judgement and estimation include:

- Eligibility Assessment — Determining whether specific projects meet the legislative definitions of core or supporting R&D activities.
- Attribution of Expenditure — Estimating the proportion of direct labour, overheads and other costs that are directly attributable to eligible R&D activities.
- Reasonable Assurance — Assessing the likelihood of meeting compliance requirements and receiving payment, considering prior claim history, contemporaneous documentation and, where appropriate, expert advice.
- Measurement of the Incentive — Estimating the expected receivable or refundable amount based on eligible expenditure and applicable rates, noting that amounts may change if the claim is reviewed or amended by the relevant authorities. Where the amount for the current financial year's activities cannot be reliably calculated at balance date, income recognised in the current year reflects the cash receipt (or accrual) for the prior year's activities, as determined by the lodged claim for that period.

These judgements and estimates are reviewed periodically and updated as new information becomes available. Changes in eligibility assessments or incentive measurement may have a material impact on the reported financial results in the period in which they are determined.

N1.19.6 Key Estimates and Judgment – LieNA Joint Venture Arrangement

During the year, Mineral Resources Limited converted its interest under the Convertible Note Deed, resulting in the Group's ownership interest in LieNA Pty Ltd reducing to 50%. Management exercised judgement in assessing the contractual arrangements between the shareholders and concluded that the parties have joint control of LieNA Pty Ltd. Accordingly, the investment has been classified as a joint venture and is accounted for using the equity method in accordance with AASB 11 Joint Arrangements and AASB 128 Investments in Associates and Joint Ventures.

N1.20 Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e., unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

N1.20.1 Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation technique selected by the Group are consistent with one or more of the following valuation approaches:

N1.20.2 Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

N1.20.3 Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

N1.20.4 Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

N1.20.5 Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e., transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

N1.21 Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date for all lease arrangements, except for short-term leases that have a lease term of 12 months or less and do not contain a purchase option and leases of low-value assets. Payments associated with short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Lease liabilities are initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease where that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option where the Group is reasonably certain to exercise the option; and

- payments of penalties for terminating the lease, where the lease term reflects the Group exercising that option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments resulting from a change in an index or rate, a reassessment of the lease term, or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets are initially measured at cost, comprising the amount of the initial lease liability adjusted for lease payments made at or before commencement, initial direct costs incurred, and an estimate of restoration obligations, less any lease incentives received.

Subsequently, right-of-use assets are measured at cost less accumulated depreciation and impairment losses and are adjusted for certain remeasurements of the corresponding lease liability. Right-of-use assets are depreciated on a straight-line basis over the shorter of the useful life of the underlying asset and the lease term, unless ownership of the underlying asset transfers to the Group at the end of the lease term or the Group is reasonably certain to exercise a purchase option, in which case the right-of-use asset is depreciated over the useful life of the underlying asset.

Note 2 Revenue

N2.1 Revenue from Services

Revenue from battery collection, sorting, dismantling and processing services is recognised at a point in time when the relevant performance obligation is satisfied, being when the agreed service has been completed in accordance with the contractual terms with the customer.

N2.2 Sale of Finished Goods

Revenue from the sale of downstream products is recognised at a point in time when control of the goods passes to the customer, in accordance with the agreed contractual terms.

N2.3 Rebates from Battery Stewardship Scheme

Rebates received under the battery stewardship scheme in respect of eligible battery collection, sorting and processing activities are recognised when the relevant eligibility requirements have been satisfied and the rebate is receivable.

N2.4 Other Revenue

Other revenue primarily comprises sales of collection units and packaging products. Revenue from these sales is recognised at a point in time when control of the goods passes to the customer, in accordance with the agreed contractual terms.

Revenue	2026	2025
	$	$
Revenue from services	4,081,254	4,717,272
Sale of finished goods	1,588,429	1,627,997
Rebates from battery stewardship scheme	272,419	337,073
Other revenue	187,264	225,970
	6,129,366	**6,908,312**

Note 3 Other Income

Other income	2026	2025
	$	$
Government grants and tax incentives	1,316,693	1,761,800
Tenement sale	-	500,000
Other	6,584	103,261
	1,323,277	**2,365,061**

Note 4 Gain on Formation of Joint Venture

As disclosed in Note 27, on 8 August 2025 the Group lost control of LieNA Pty Ltd following the issue of 4,500,001 shares to Mineral Resources Ltd ("**MinRes**"), resulting in LieNA Pty Ltd becoming a 50:50 joint venture between Livium Ltd and MinRes.

The gain recognised on establishment of the joint venture is calculated as follows:

Gain on formation of joint venture	2026	2025
	$	$
Fair value of retained 50% equity-accounted investment	5,153,124	-
Less: net asset of LieNA Pty Ltd at deconsolidation (a)	(2,263,633)	-
Gain on establishment of joint venture	**2,889,491**	**-**

(a) Net assets of LieNA® at deconsolidation represent the value of LieNA Pty Ltd's identifiable assets and liabilities derecognised by the Group at the date control was lost, in accordance with AASB 10.

Note 5 Share of Net Profit of Equity Accounted Investment

As disclosed in Note 27, the Group accounts for its 50% interest in LieNA Pty Ltd using the equity method from 8 August 2025.

The Group recognised a net share of profit of $291,349 from its equity-accounted investment, comprising the following:

Share of net gain/(loss)	2026	2025
	$	$
Share of operating loss	(35,734)	-
Share of R&D incentive income	327,083	-
Net share of gain/(loss)	**291,349**	**-**

Note 6 Finance Costs

Finance costs	2026	2025
	$	$
Financial liabilities not measured at FVTPL	83,824	55,833
Financial liabilities at FVTPL (a)	63,619	689,860
Total finance costs	**147,443**	**745,693**

(a) On 8 August 2025, the convertible notes were fully converted into equity as part of the transaction with Mineral Resources Ltd, resulting in LieNA Pty Ltd becoming a joint venture. Accordingly, the convertible note liability was derecognised on that date and finance costs at FVTPL were recognised only up to the date of conversion.

Note 7 Auditor's Remuneration

Auditor's remuneration	2026	2025
	$	$
Auditing and review of the financial statements	73,832	76,841
Total remuneration of auditor	**73,832**	**76,841**

Note 8 Expenses from Ordinary Activities

Loss from continuing operations before income tax is arrived at after charging the following individually significant items:

Expenses from ordinary activities	2026	2025
	$	$
Employee benefits expense		
Defined contribution fund payments	507,553	593,877
Other employee benefits expense	5,887,632	8,319,009
Total employee benefits expense from ordinary activities	**6,395,185**	**8,912,886**
Other expenses		
Loss on disposal of assets	182,526	36,993
Impairment of intangible assets	179,206	-
Impairment of investment in unlisted entity	170,000	-
Bad debts expense	52,425	54,634
Relocation costs [1]	349,566	-
Other	142	4,290
Total other expenses	**933,865**	**95,917**

[1] Relocation costs represent the operating expenditure component of one-off costs incurred in connection with the relocation to the new Derrimut facility.

Note 9 Income Tax Expense

Income tax expense	2026	2025
	$	$
Major components of income tax expense are as follows:		
Current income tax expense/(benefit)	-	-
Deferred income tax expense/(benefit)	-	(1,604,928)
Income tax expense reported in the Consolidated Statement of Comprehensive Income	**-**	**(1,604,928)**
The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Loss from ordinary activities before income tax expense	(3,941,917)	(6,172,729)
Prima facie tax benefit on loss from ordinary activities before income tax at 25% (2025: 25%)	(985,479)	(1,543,182)
Tax effect of permanent differences:		
Share-based expense	134,208	418,855
Entertainment	5,067	14,532
R&D incentive expenditure	1,192,546	678,934
R&D rebate received	(329,173)	(440,450)
Tax losses not recognised [1]	(17,169)	(733,617)
	-	**(1,604,928)**
Deferred tax assets and (liabilities) are attributable to the following:		
Legal fees	28,951	46,951
Accrued expenses	34,381	85,155
Payroll liabilities	137,932	184,240
Provisions	1,346,775	1,351,583
Plant & equipment	(532,095)	(518,844)
Intangible assets	(553,474)	(1,965,506)
Right of use asset & lease	(11,270)	(6,383)
Deferred tax asset (derecognised)/ recognised to offset net deferred tax liabilities [2]	(451,200)	2,427,732
	-	**1,604,928**
Unrecognised deferred tax assets:		
Deferred tax assets have not been recognised in respect of the following items as the Directors do not believe it is appropriate to regard realisation of future tax benefits as probable:		
Tax losses [3]	13,606,204	9,813,259
Capital losses	388,215	247,097
	13,994,419	**10,060,356**

[1] FY25 includes recognition of $1.6m (tax effect) of previously unrecognised carried-forward losses at a subsidiary, resulting in a deferred tax benefit in the current year. (refer to Note 19 for further details)

[2] Includes $1.6m from first-time recognition of previously unrecognised carried-forward losses at a subsidiary. (refer to Note 19 below for further details)

[3] The FY26 balance of $20.4m (FY25: $16.8m) was reduced by $6.4m, reflecting the recognition of $1.6m of losses as a deferred tax asset (based on a 25% tax rate).

Note 10 Trade and Other Receivables

Trade and other receivables	2026 $	2025 $
Trade receivables	584,893	1,276,265
Provision for doubtful debts	(70,818)	(19,233)
Interest receivables	10,611	2,636
Shares receivable from investment in unlisted entity	-	80,000
GST receivable	78,942	-
Prepayments	162,754	169,042
	766,382	**1,508,710**

The ageing of trade receivables, at 30 June was	2026 $	2025 $
Not past due	401,703	535,524
Past due 1–30 days	91,277	397,928
Past due 31–120 days	10,655	323,447
Past due 121 days or more	81,258	19,366
	584,893	**1,276,265**

Note 11 Inventory

Inventory	2026 $	2025 $
Finished goods	60,940	198,652
Work in progress – processed battery stock	27,024	31,500
Work in progress – unprocessed battery stock	206,152	322,632
Collection equipment	178,822	224,179
	472,938	**776,963**

Note 12 Financial Assets

Financial assets	2026 $	2025 $
Current		
Fixed term deposits	887,132	431,492
Australian unlisted shares – Level 3 fair value	-	170,000
	887,132	**601,492**

Note 13 Intangible Assets

At 30 June 2026, the Group assessed its intangible assets for impairment at the relevant cash-generating unit ("CGU") level. The recoverable amounts of the Battery Recycling, Battery Materials and the Group's directly held Lithium Chemicals CGUs were determined using value in use or fair value less costs of disposal, as appropriate, and exceeded their respective carrying amounts. Accordingly, no further impairment was required at the CGU level. The Lithium Chemicals CGU referred to in this note excludes the Group's equity-accounted investment in LieNA Pty Ltd, which is assessed separately in accordance with AASB 128.

Separately, an asset-specific impairment loss of $179,206 was recognised during the year in respect of certain assets which are no longer in use, are not aligned with the Group's current commercialisation strategy and are not expected to generate future economic benefits. Their recoverable amounts were therefore assessed as effectively nil and their remaining carrying amounts were impaired.

Patents are amortised on a straight-line basis over their remaining legal lives, generally within a 20-year patent protection period. Development costs are not amortised until the relevant asset is available for use; once available for use, they are amortised over the period in which the related technology is expected to generate economic benefits.

In assessing the Battery Materials CGU, management considered VSPC's development-stage status, current funding constraints and the potential transition to a care-and-maintenance model if the strategic funding process does not result in a binding transaction. The recoverable amount was assessed using fair value less costs of disposal with reference to observable market evidence from comparable battery materials businesses and the stage of development of the technology. The assessed recoverable amount exceeded the carrying amount at 30 June 2026.

Intangible assets	Patents	Development Costs	Intellectual Property	Total
	$	$	$	$
2026				
Balance at 1 July 2025	834,333	7,655,658	325,023	8,815,014
Additions	130,836	-	-	130,836
Amortisation	(67,538)	(137,164)	(258,417)	(463,119)
Impairment	(61,250)	(117,956)	-	(179,206)
Derecognition on formation of joint venture	(142,548)	(6,607,579)	-	(6,750,127)
Net book value at 30 June 2026	**693,833**	**792,959**	**66,606**	**1,553,398**
2025				
Balance at 1 July 2024	753,924	6,068,885	325,023	7,147,832
Additions	174,972	1,602,019	-	1,776,991
Amortisation	(94,563)	(15,246)	-	(109,809)
Net book value at 30 June 2025	**834,333**	**7,655,658**	**325,023**	**8,815,014**

Note 14 Property, Plant and Equipment

Property, plant and equipment	Motor Vehicles	Office / Warehouse Equipment	Computer Equipment	Furniture & Fittings	Warehouse Construction, Equipment & Tools	Collection Equipment	Total
	$	$	$	$	$	$	$
2026							
Cost							
Balance at 1 July 2025	30,124	-	313,713	98,494	5,527,192	99,458	6,068,981
Additions	-	-	23,695	-	633,468	39,083	696,246
Disposals	-	-	(50,787)	-	(800,204)	(20,371)	(871,362)
Balance at 30 June 2026	30,124	-	286,621	98,494	5,360,456	118,170	5,893,865
Accumulated Depreciation							
Balance at 1 July 2025	26,188	-	278,600	60,340	3,549,920	78,559	3,993,607
Disposals	-	-	(49,933)	-	(618,202)	(17,810)	(685,945)
Depreciation expense	1,125	-	25,065	7,876	402,681	21,075	457,822
Balance at 30 June 2026	27,313	-	253,732	68,216	3,334,399	81,824	3,765,484
Net book value as at 30 June 2026	**2,811**	**-**	**32,889**	**30,278**	**2,026,057**	**36,346**	**2,128,381**
2025							
Cost							
Balance at 1 July 2024	30,124	493,027	296,387	91,969	5,023,185	498,795	6,433,487
Reclassification	-	(493,027)	-	-	493,027	-	-
Additions	-	-	23,052	6,525	546,893	2,807	579,277
Disposals	-	-	(5,726)	-	(535,913)	(402,144)	(943,783)
Balance at 30 June 2025	30,124	-	313,713	98,494	5,527,192	99,458	6,068,981
Accumulated Depreciation							
Balance at 1 July 2024	24,613	315,721	246,919	49,571	3,075,090	444,006	4,155,920
Reclassification	-	(315,721)	-	-	315,721	-	-
Disposals	-	-	(4,854)	-	(315,506)	(386,755)	(707,115)
Depreciation expense	1,575	-	36,535	10,769	474,615	21,308	544,802
Balance at 30 June 2025	26,188	-	278,600	60,340	3,549,920	78,559	3,993,607
Net book value as at 30 June 2025	**3,936**	**-**	**35,113**	**38,154**	**1,977,272**	**20,899**	**2,075,375**

Note 15 Trade and Other Payables

Trade and other payables	2026	2025
	$	$
Trade payables	875,069	671,806
GST payables	-	13,730
Unearned income	84,571	6,786
Other creditors and accrued expenses	383,722	605,244
	1,343,362	**1,297,566**

Note 16 Leases

The Group leases certain sites and warehouses under lease arrangements with terms of up to 5 years, some of which include options to extend. Each lease is negotiated individually and contains terms and conditions reflecting the relevant market circumstances.

N16.1 Extension options

Some property leases contain extension options exercisable by the Group up to one year before the expiry of the initial lease term. The Group assesses at the commencement of the initial lease term, or whenever there is a significant event or change in circumstances relating to a lease, the likelihood of it exercising its option to extend the lease. The Group considers the potential future lease payments associated with the exercise of any lease term extension options to be immaterial or uncertain.

N16.2 Right-of-use assets

Buildings	2026	2025
	$	$
Cost	4,992,326	2,177,440
Accumulated Depreciation	(994,171)	(1,475,836)
Carrying Amount	**3,998,155**	**701,604**

N16.3 Amounts recognised in profit and loss

Buildings	2026	2025
	$	$
Depreciation expense on right-of-use asset	818,414	690,437
Interest expense on lease liabilities	75,034	43,507
Total expense	**893,448**	**733,944**

N16.4 Lease liability

Lease liability	2026	2025
	$	$
Current	859,245	560,773
Non-current	3,183,988	166,364
Total lease liability	**4,043,233**	**727,137**

N16.5 Reconciliation of lease liabilities

Reconciliation of lease liabilities	2026	2025
	$	$
Opening Balance	727,137	1,037,682
New lease liabilities recognised	4,114,964	408,124
Repayment of lease liabilities	(798,868)	(718,669)
Closing balance	**4,043,233**	**727,137**

Note 17 Provisions

Provisions	2026	2025
	$	$
Current		
Employees entitlements	296,636	492,753
Remediation (a)	5,362,099	5,362,099
Rehabilitation provision (b)	25,000	25,000
	5,683,735	**5,879,852**
Non-Current		
Employees entitlements	**206,209**	**188,996**

(a) Envirostream has previously been served with writs and statements of claim in relation to damage caused by a fire at 31 Colbert Road, Campbellfield, Victoria, on 19 January 2019. Receipt of these documents resulted in the recognition of a provision in the Group's balance sheet.

The insurer has indemnified Envirostream under its insurance policy for claims made and has settled certain claims. Any future insurance recoveries or settlement outcomes may result in a reassessment of the provision.

During the year ended 30 June 2026, management continued to assess the outstanding claims based on legal advice received. Settlement offers have been made to certain parties on a commercial basis without admission of liability, however no settlements had been finalised as at 30 June 2026. Proceedings remain ongoing and the provision of $5,362,099 continues to represent management's best estimate of the expenditure required to settle the remaining claims. In the prior year, the provision was reduced by $2.1m due to information which came to light during the discovery process.

The six-year limitation period under the Limitation of Actions Act (Vic) has expired and management does not expect any further plaintiffs to commence proceedings in relation to the fire.

The proceedings continue to progress through the Court process. At the reporting date, the timing and ultimate outcome of the remaining claims remain uncertain. Accordingly, no adjustment to the provision has been recognised during the year. No asset has been recorded with respect to any insurance claim at balance date.

(b) The Group's rehabilitation programs are for two areas related to the Ravensthorpe Project.

Note 18 Loans and Borrowings

Loans and borrowings	2026	2025
	$	$
Current		
Financial liability at FVTPL (a)	-	5,089,504

(a) During the year, the Convertible Note with Mineral Resources Limited ("**MinRes**") was fully converted in accordance with the Convertible Note Deed. On 8 August 2025, MinRes issued a Conversion Notice and was allotted 4,500,001 shares in LieNA Pty Ltd, resulting in Livium's ownership reducing to 50%.

As a result of the conversion:

- The financial liability at fair value through profit or loss was derecognised, and
- LieNA Pty Ltd ceased to be a wholly owned subsidiary and is now accounted for as a joint venture (see Note 27 – Investment in Joint Venture).

No borrowings were outstanding at 30 June 2026.

Note 19 Deferred Tax Assets

Deferred tax assets	2026	2025
	$	$
Non-current		
Deferred tax assets (a)	1,604,928	1,604,928

(a) The Group recognised a deferred tax asset of $1.6m in FY25 in relation to prior-year tax losses incurred by its battery recycling division (Envirostream), and the asset remains recognised at 30 June 2026. No additional deferred tax asset was recognised during FY26. Recognition of the existing deferred tax asset continues to be based on management's assessment that Envirostream will generate sufficient future taxable profits to utilise the recognised losses and deductible temporary differences. In making this assessment, management considered the taxable profit generated by Envirostream in FY25, current operating performance, expected growth in battery collection volumes and management's forecasts of future taxable profits. Not all available carried-forward tax losses have been recognised as deferred tax assets.

Note 20 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. There were no changes to the Group's approach to capital management during the year. Neither the Group nor any of its subsidiaries are subject to externally imposed capital requirements. The Board effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels and by share issues.

Note 21 Issued Capital

Issued capital	2026		2025	
	Number	$	Number	$
Fully Paid Ordinary Shares				
Opening balance	1,690,507,119	104,244,844	1,222,291,672	99,838,267
Issue of shares through Lind	-	-	79,198,416	216,722
Issue of shares through SPP	-	-	45,363,197	952,625
Issue of shares through placement (a)	360,000,000	4,500,000	333,333,334	4,500,000
Issue of shares - Capital Raise Fee	-	-	10,000,000	135,000
Issue of shares on conversion of options (b)	2,000,000	22,000	20,500	1,228
Issue of shares on conversion of options (c)	260,000	5,200	-	-
Issue of shares on conversion of performance rights (d)	11,200,000	520,000	-	-
Issue of shares to employees	400,000	4,000	300,000	6,300
Adjustment to value of shares issued (e)	-	(45,000)	-	-
Transaction costs	-	(321,075)	-	(1,405,298)
Closing balance	**2,064,367,119**	**108,929,969**	**1,690,507,119**	**104,244,844**

Year ended 30 June 2026

(a) During the year, the Group issued 360,000,000 ordinary shares ("Placement Shares") at an issue price of $0.0125 per share ("Placement"). Participating investors to the Placement received a free-attaching option exercisable at $0.020 expiring 28 April 2028 ("Placement Options").

(b) During the year, the Group issued 2,000,000 ordinary shares upon the exercise of Zero Exercise Price Options (ZEPOs).

(c) During the year, the Group issued 260,000 ordinary shares upon the exercise of Zero Exercise Price Options (ZEPOs).

(d) During the year, the Group issued 11,200,000 ordinary shares to members of the Executive Leadership Team following the satisfaction of Performance Right Hurdle 5.

(e) The value attributed to the shares issued was adjusted using the Company's share price of $0.009 at the date of shareholder approval.

Note 22 Reserves

Reserves	2026 $	2025 $
Foreign currency translation reserve		
Opening balance	38,275	38,275
Exchange differences arising on translating foreign subsidiary	-	-
Closing balance	**38,275**	**38,275**
Share-based payments reserve		
Opening balance	3,065,318	1,584,696
Issue/amortisation of performance rights	399,197	1,595,307
Performance rights achieved/exercised	(520,000)	-
Performance rights cancelled/ lapsed	(85,606)	-
Transfer to retained earnings	-	(114,685)
Closing balance	**2,858,909**	**3,065,318**
Other Reserves		
Equity Reserve (a)	(1,115,932)	(1,115,932)
Option reserve (b)	1,932,548	2,654,029
Investment revaluation reserve (c)	-	-
Total Other Reserves	**816,616**	**1,538,097**
Total Reserves	**3,713,800**	**4,641,690**
Other Reserves Movement:		
(a) Equity Reserve		
Opening balance	(1,115,932)	(1,115,932)
Movement in reserve	-	-
Closing balance	**(1,115,932)**	**(1,115,932)**
(b) Option reserve		
Opening balance	2,654,029	1,562,682
Expiry of options	(939,312)	(623,170)
Exercise of options	(27,198)	(205)
Issue/amortisation of options	256,626	1,714,724
Lapse of options	(11,597)	-
Closing balance	**1,932,548**	**2,654,029**
(c) Investment revaluation reserve		
Opening balance	-	(1,200,835)
Net gain/(loss) arising on revaluation of available for sale financial assets	-	148,120
Transfer to retained earnings	-	1,052,715
Closing balance	**-**	**-**

Note 23 Financial Instruments

N23.1 Financial Risk Management Policies

The Group's financial instruments comprise cash and cash equivalents, term deposits, trade and other receivables, trade and other payables and lease liabilities. The Group did not hold financial derivatives at 30 June 2026.

N23.2 Financial Risk Exposures and Management

The principal financial risks arising from the Group's financial instruments are credit risk, liquidity risk and interest rate risk. The Board and management monitor these risks as part of the Group's broader treasury and capital management activities.

N23.3 Interest Rate Risk

Interest rate risk is managed by obtaining the best commercial deposit interest rates available in the market by the major Australian Financial Institutions.

N23.4 Credit Risk

Credit risk arises principally from cash and term deposits held with financial institutions and from trade receivables. Cash and term deposits are held with major Australian financial institutions. The maximum exposure to credit risk at balance date is the carrying amount of recognised financial assets, net of any expected credit loss allowance. Trade receivables are monitored on an ongoing basis and the Group recognises lifetime expected credit losses in accordance with AASB 9.

N23.5 Liquidity Risk

Liquidity risk is the risk that the Group will be unable to meet its financial obligations as they fall due. The Group manages liquidity risk by monitoring forecast cash flows, maintaining available cash resources, actively managing discretionary expenditure and seeking additional funding when required. The Group's liquidity position, including its working capital deficit and post-year-end funding activities, is considered as part of the going concern assessment in Note 1.

N23.6 Fair Values

The carrying amounts of cash and cash equivalents, term deposits, trade and other receivables and trade and other payables approximate their fair values because of their short-term nature. Lease liabilities are measured at amortised cost. At 30 June 2026, the Group did not hold financial instruments measured at fair value on a recurring basis.

N23.7 Sensitivity Analysis – Interest Rate Risk

The Group has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

At 30 June 2026, the effect on loss as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

Interest Rate Risk	2026	2025
	$	$
Change in loss		
Increase in interest rate by 100 basis points	23,423	37,578
Decrease in interest rate by 100 basis points	(23,423)	(37,578)
Change in equity		
Increase in interest rate by 100 basis points	23,423	37,578
Decrease in interest rate by 100 basis points	(23,423)	(37,578)

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurement. Interest rate 3.0%-4.9% (2025: 3.5%-4.8% per annum).

	Floating Interest Rate	Fixed Interest Rate Maturing in 1 year or less	Fixed Interest Rate Maturing in more than 1 year	Non-interest bearing	Total
	$	$	$	$	$
2026					
Financial assets					
Cash and cash equivalents	2,342,326	-	-	-	2,342,326
Financial assets – level 3	-	-	-	-	-
Term Deposits		887,132	-	-	887,132
Trade and other receivables	-	-	-	766,382	766,382
Total financial assets	**2,342,326**	**887,132**	**-**	**766,382**	**3,955,840**
Financial liabilities					
Trade and other payables [1]	-	-	-	1,343,362	1,343,362
Lease liabilities	-	859,245	3,183,988	-	4,043,233
Financial liability at FVTPL	-	-	-	-	-
Total financial liabilities	**-**	**859,245**	**3,183,988**	**1,343,362**	**5,386,595**

	Floating Interest Rate	Fixed Interest Rate Maturing in 1 year or less	Fixed Interest Rate Maturing in more than 1 year	Non-interest bearing	Total
	$	$	$	$	$
2025					
Financial assets					
Cash and cash equivalents	3,757,848	-	-	-	3,757,848
Term deposits	-	431,492	-	-	431,492
Financial assets – level 3	-	-	-	170,000	170,000
Trade and other receivables	-	-	-	1,508,710	1,508,710
Total financial assets	**3,757,848**	**431,492**	**-**	**1,678,710**	**5,868,050**
Financial liabilities					
Trade and other payables[1]	-	-	-	1,297,566	1,297,566
Lease liabilities	-	560,773	166,364	-	727,137
Financial liability at FVTPL	5,089,504	-	-	-	5,089,504
Total financial liabilities	**5,089,504**	**560,773**	**166,364**	**1,297,566**	**7,114,207**

1 The trade and other payables are due within 12 months.

Note 24 Loss Per Share

Loss per share	2026	2025
	$	$
Loss used in calculation of basic and diluted EPS	(3,941,917)	(4,567,505)

	Number of Shares	Number of Shares
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted earnings per share	1,948,971,338	1,425,221,100

Note 25 Cash Flow

Reconciliation of net cash inflow/(outflow) from operating activities to loss after income tax

Cash flow	2026	2025
	$	$
Loss after income tax	(3,941,917)	(4,567,801)
Adjustments for non-cash income and expense items:		
Depreciation and amortisation	1,170,719	880,445
Impairment of intangible assets	179,206	-
Impairment of investment in unlisted entity	170,000	-
(Profit)/loss on disposal of assets	8,018	(1,590)
Share based payment expense	536,833	1,675,419
Share of net profit of equity accounted investment	(291,349)	-
Gain on establishment of joint venture	(2,889,491)	-
Deferred tax benefit	-	(1,604,928)
Other	193,049	256,425
Changes in assets and liabilities:		
(Increase)/decrease in receivables & prepayments	747,831	(157,966)
(Increase)/decrease in inventories	304,024	(4,382)
(Decrease)/increase in accounts payable, accruals & employee entitlements	674,150	(11,875)
(Decrease)/increase in provisions	(198,137)	(1,805,984)
(Increase)/decrease in other assets	47,136	(8,367)
Net cash outflows from operating activities	**(3,289,928)**	**(5,350,604)**

Note 26 Operating Segments

Livium Ltd has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision maker) in assessing performance and determining the allocation of resources. Livium Ltd is managed primarily on the basis of operation and technology development which includes Battery Recycling, Lithium Chemicals, and Battery Materials.

Types of reportable segments

(a) Battery Recycling (via wholly owned subsidiary, Envirostream Australia Pty Limited)

This segment operates Australia's market leading lithium-ion battery recycler. This segment provides national collection and recycling services to customers and undertakes shredding and battery processing in Melbourne. Its proprietary process involves recovery of energy metals as black mass (also known as mixed metal dust or 'MMD'), which is then exported for further refining.

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.

(b) Battery Materials (via wholly owned subsidiary, VSPC Pty Limited)

This segment is developing critical battery materials including lithium ferro phosphate ('LFP') and lithium manganese ferro phosphate ('LMFP').

(c) Lithium Chemicals (via wholly owned subsidiary LieNA Pty Ltd to 8 August 2025)

This segment relates to the Group's patented lithium extraction technology, LieNA®.

Up to 8 August 2025, LieNA Pty Ltd operated as a wholly owned subsidiary of the Group and its results are included in segment reporting for the period to that date. On 8 August 2025, the Group completed the formation of a 50:50 joint venture with Mineral Resources Limited, following which LieNA Pty Ltd ceased to be a wholly owned subsidiary and is now accounted for using the equity method. Accordingly, results subsequent to this date are not included in operating segment information

Basis of accounting for purposes of reporting by operating segments

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in Livium's annual financial report.

Segment assets

Segment assets are allocated to the operating segments where they are directly attributable or where they are used predominantly by that segment. Assets that are not directly attributable to an operating segment are included within the Unallocated category in the segment reporting tables.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Liabilities that are not directly attributable to an operating segment are included within the Unallocated category in the segment reporting tables.

Unallocated items

The unallocated component in the segment reporting tables represents corporate activities that are not directly attributable to an operating segment, including corporate expenses, interest-bearing loans and borrowings, corporate assets and liabilities, and any residual surplus property holding costs.

Operating Segments	Battery Recycling	Battery Materials	Lithium Chemicals	Unallocated	Total
	$	$	$	$	$
2026					
Total Income	**6,129,366**	**-**	**-**	**-**	**6,129,366**
Gross Profit	**2,793,248**	**-**	**-**	**-**	**2,793,248**
EBITDA	**(1,356,209)**	**(1,206,837)**	**(163,032)**	**7,387**	**(2,718,691)**
Depreciation & amortisation expense	(350,427)	(90,892)	(720)	(728,680)	(1,170,719)
EBIT	**(1,706,636)**	**(1,297,729)**	**(163,752)**	**(721,293)**	**(3,889,410)**
Net finance expense				(52,507)	(52,507)
Reportable segment profit/(loss) before income tax	**(1,706,636)**	**(1,297,729)**	**(163,752)**	**(773,800)**	**(3,941,917)**
Income tax benefit/(expense)	-	-	-	-	-
Reportable segment profit/(loss) after income tax	**(1,706,636)**	**(1,297,729)**	**(163,752)**	**(773,800)**	**(3,941,917)**
Total segment assets	9,357,447	809,434	5,429,850	3,093,317	**18,690,048**
Segment liabilities	10,342,590	254,867	-	679,082	**11,276,539**
Acquisition of assets *	656,296	162,074	5,510	3,202	**827,082**

* Acquisitions include property, plant and equipment and intangibles

During the year, revenue from three external customers individually represented 10% or more of the Group's revenue. Revenue from these customers was approximately $677,000, $673,000 and $661,000, respectively, and was attributable to the Battery Recycling segment.

Operating Segments	Battery Recycling	Battery Materials	Lithium Chemicals	Unallocated	Total
	$	$	$	$	$
2025					
Total Income	**6,908,312**	**-**	**-**	**-**	**6,908,312**
Gross Profit	**4,230,263**	**-**	**-**	**-**	**4,230,263**
Remediation reversal/(provision)	2,096,490	-	-	-	2,096,490
EBITDA	**2,785,342**	**(1,216,364)**	**48,325**	**(6,287,539)**	**(4,670,236)**
Depreciation & amortisation expense	(435,210)	(91,598)	-	(353,636)	(880,444)
EBIT	**2,350,132**	**(1,307,962)**	**48,325**	**(6,641,175)**	**(5,550,681)**
Net finance expense	-	-	-	(622,048)	(622,048)
Reportable segment profit/(loss) before income tax	**2,350,132**	**(1,307,962)**	**48,325**	**(7,263,223)**	**(6,172,729)**
Income tax benefit/(expense)	1,604,928	-	-	-	1,604,928
Reportable segment profit/(loss) after income tax	**3,955,059**	**(1,307,962)**	**48,325**	**(7,263,223)**	**(4,567,801)**
Total segment assets	6,304,688	1,146,936	10,562,674	1,827,636	**19,841,934**
Segment liabilities	6,483,873	445,318	5,095,338	1,158,526	**13,183,055**
Acquisition of assets *	448,998	104,377	1,776,991	25,902	**2,356,268**

* Acquisitions include property, plant and equipment and intangibles

Note 27 Investment in Joint Venture

N27.1 Formation of Joint Venture

On 8 August 2025, Mineral Resources Ltd ("**MinRes**") issued a Conversion Notice under the Convertible Note Deed dated 7 August 2023. In accordance with the terms of the deed and the Joint Development Agreement ("**JDA**"), MinRes was issued 4,500,001 shares in LieNA Pty Ltd, resulting in both Livium and MinRes each holding 50% of the shares on issue. LieNA Pty Ltd is incorporated and has its principal place of business in Australia, and Livium holds 50% of the ownership and voting rights.

As a result, LieNA Pty Ltd ceased to be a wholly owned subsidiary and became a 50:50 joint venture between Livium and MinRes. The joint arrangement has been classified as joint venture under AASB 11 as the parties have rights to net assets of LieNA Pty Ltd rather than rights to specific assets or obligations for liabilities. Control of LieNA Pty Ltd passed to the joint venture partners collectively, and accordingly the Group has deconsolidated LieNA Pty Ltd from this date.

From 8 August 2025, the Group's interest in LieNA Pty Ltd is accounted for using the equity method in accordance with AASB 128 Investments in Associates and Joint Ventures.

N27.2 Accounting for Loss of Control

Upon the JV formation date, the Group:

- Derecognised the assets and liabilities of LieNA Pty Ltd previously consolidated;
- Recognised the investment in the joint venture at its fair value on the date control was lost; and
- Recognised any resulting gain or loss in profit or loss.

There was no observable market price for an interest in LieNA Pty Ltd at the date control was lost. The fair value of the Group's retained 50% interest was therefore estimated by reference to the commercial terms of the MinRes Convertible Note, Conversion Notice, JDA and joint venture arrangements, including the implied equity value arising on conversion, together with market conditions at the formation date. Management considered these arm's-length transaction terms to provide the most relevant available evidence of fair value in the absence of an observable market.

No cash consideration was paid or received by the Group on loss of control. Cash and cash equivalents of $665,436 held by LieNA Pty Ltd were derecognised and are presented as an investing cash outflow in the Consolidated Statement of Cash Flows. The principal non-cash assets derecognised included $6,750,127 of intangible assets, as disclosed in Note 13. The MinRes convertible note liability was extinguished on conversion as disclosed in Note 18.

N27.3 Carrying Amount

Investment in joint venture – carrying amount	2026	2025
	$	$
Opening balance at 1 July 2025	-	-
Initial recognition on JV formation (Note 4)	5,153,124	-
Less: Distributions received (a)	(508,065)	-
Add: Share of net profit for the year (b)	291,349	-
Closing balance at 30 June 2026	**4,936,408**	**-**

(a) During the year, LieNA Pty Ltd undertook an equal capital reduction, approved by members, resulting in total distributions of $1,016k to the joint venture partners. The Group received $508k, being its 50% share, with an equivalent amount distributed to Mineral Resources Ltd.

(b) For the period from 8 August 2025 to 30 June 2026, LieNA Pty Ltd recorded a net profit of $582,698, comprising R&D incentive income of $654,166 and operating expenses of $71,468. The Group's 50% share of the net result of $291,349 has been recognised in profit or loss as "share of net profit of equity-accounted investment" and reflected in the carrying amount of the investment, as detailed in Note 5.

(c) The joint venture's net profit for the period was $582,698, with the material components disclosed above. Cash and cash equivalents at 30 June 2026 were $181,258 and the joint venture had no financial liabilities. The Group received distributions of $508,065 during FY26. At 30 June 2026, the Group had no contractual obligation to fund Demonstration Plant activities.

N27.4 Summarised financial information of LieNA Pty Ltd (joint venture)

Financial Position	2026	2025
	$	$
Current assets		
Cash and cash equivalents	181,258	-
Trade and other receivables	789	-
Total current assets	182,047	-
Non-current assets		
Intangible assets	8,888,026	-
Total non-current assets	8,888,026	-
TOTAL ASSETS	**9,070,073**	**-**
Current liabilities		
Trade and other payables	-	-
Total current liabilities	-	-
TOTAL LIABILITIES	**-**	**-**
NET ASSETS (100%)	**9,070,073**	**-**
Equity		
Equity	8,759,944	-
Accumulated profit	310,129	-
TOTAL EQUITY	**9,070,073**	**-**

Reconciliation to the Group's equity-accounted investment	2026
	$
Net assets of LieNA Pty Ltd	9,070,073
Group's share of net assets (50%)	4,535,037
Initial recognition basis difference (a)	401,371
Carrying amount of investment at 30 June 2026	**4,936,408**

(a) On formation of the joint venture, the Group's retained 50% interest in LieNA Pty Ltd was recognised at fair value of $5,153,124. This exceeded the Group's 50% share of LieNA Pty Ltd's net assets at the date of formation, giving rise to an initial recognition basis difference of approximately $0.4m. This basis difference is included in the carrying amount of the investment in the joint venture.

N27.5 Impairment Assessment

At 30 June 2026, the Group assessed whether objective evidence of impairment existed in relation to its 50% equity-accounted investment in LieNA Pty Ltd in accordance with AASB 128. The assessment considered the joint venture's financial position and performance, the status of the agreed development pathway, patent and technical status, lithium market conditions and other facts and circumstances arising after initial recognition.

The underlying LieNA® technology held by the joint venture is considered not yet available for use because Stage 1 is a completed development milestone and the intended commercialisation pathway contemplates further validation and development through a Demonstration Plant before broader commercial licensing. Accordingly, the underlying intangible asset is subject to annual impairment testing by LieNA Pty Ltd under AASB 136 irrespective of whether a separate impairment indicator exists. No impairment loss was recognised by the joint venture at 30 June 2026.

No substantive technical development expenditure was incurred during FY26. Management does not consider the absence of expenditure, in isolation, to be evidence of impairment because Stage 1 has been completed and the project is in the agreed post-Stage 1 decision phase, with the next substantive Demonstration Plant activities dependent on decisions by MinRes. The relevant decision timetable was extended to five years under the August 2025 variation. Battery-grade lithium carbonate pricing at 30 June 2026 had also improved materially from the market level prevailing around formation of the joint venture and initial recognition of the Group's investment, although it remained below the elevated levels prevailing when the original JDA was negotiated in 2023.

Based on this assessment, the Group concluded that there was no objective evidence that the equity-accounted investment was impaired at 30 June 2026. Accordingly, no additional impairment test or impairment loss was recognised at Group level. Management will reassess this conclusion at each reporting date, including changes in MinRes's intentions, the contractual timetable, technical status, patent protection, lithium market conditions and other evidence affecting expected cash flows or value.

Note 28 Contingent Liabilities

The Group is, in its normal course of business, required to provide certain guarantees in respect of contractual performance obligations. These guarantees only give rise to a liability where the entity fails to perform its contractual obligations.

During the year, the Group entered into a new lease for its Derrimut facility and provided a bank guarantee of $522,500 as security under the lease agreement. During the same period, the bank guarantee relating to the former Laverton facility was released following expiry of the lease.

The Group also continues to carry a contingent professional fee of $620,000 relating to advisory services connected with the ARENA grant application for the LFP Demonstration Plant. The fee becomes payable upon satisfaction of the relevant funding conditions under the advisory arrangement. As at 30 June 2026, those conditions had not been satisfied and the timing of any payment remains dependent on the Group securing the required project funding and is therefore uncertain.

Contingent liabilities	2026	2025
	$	$
Bank guarantees	774,550	326,074
Contingent professional fees	620,000	620,000
Total contingent liabilities	1,394,550	946,074

The Group did not have any contingent liabilities as at 30 June 2026 other than the bank guarantees and fees shown above.

Note 29 Related Party Transactions

LieNA Pty Ltd was a wholly owned subsidiary of the Group until 8 August 2025. Transactions and balances between LieNA Pty Ltd and other Group entities up to that date were eliminated on consolidation.

On 8 August 2025, LieNA Pty Ltd became a 50:50 joint venture between Livium Ltd and Mineral Resources Limited and, from that date, became a related party of the Group.

Following formation of the joint venture, the Group received distributions totalling $508,065 from LieNA Pty Ltd during the year.

All transactions with related parties were conducted on normal commercial terms and conditions.

Key management personnel compensation

Key management personnel compensation	2026	2025
	$	$
Short-term benefits	803,901	899,958
Short-term incentive remuneration	-	98,136
Short-term (shares issued)	1,952	2,100
Share based payments	378,081	817,145
Post-employment benefits	78,674	80,771
Total key management personnel compensation	1,262,608	1,898,110

Note 30 Controlled Entities

Livium Ltd is the ultimate parent entity of the Group. The following entities were controlled by the Group at the balance date and have been included in the consolidated financial statements. All shares held are ordinary shares.

On 8 August 2025, Mineral Resources Limited converted its convertible note into shares in LieNA Pty Ltd, resulting in Livium Ltd and Mineral Resources Limited each holding a 50% interest. From that date, LieNA Pty Ltd ceased to be controlled by the Group and has been accounted for as a joint venture using the equity method. Refer to Note 27 for further details of the Group's investment in the joint venture.

Name of entity	% of share capital	Country of incorporation
Envirostream Australia Pty Ltd	100%	Australia
Resource Conservation and Recycling Corporation Pty Ltd	100%	Australia
VSPC Pty Ltd	100%	Australia
Trilithium Erzgebirge GmbH[1]	100%	Germany

[1] Trilithium Erzgebirge GmbH last traded in March 2023. The Group is in the process of disposing of this non trading company which is registered in Germany.

Note 31 Consolidated entity disclosure

The consolidated financial statements comprise the assets, liabilities and results of Livium Ltd and its subsidiaries. Subsidiaries are entities over which the Group has control. Control exists when the Group has power over an investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect those returns.

- The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.
- The assets, liabilities and results of subsidiaries are included in the consolidated financial statements from the date control is obtained until the date control ceases.
- All intercompany balances, transactions, income and expenses between Group entities are eliminated in full on consolidation.

Name of entity	Type of entity	Trustee, Partner or participant in joint venture	% of share capital	Country of incorporation	Australian or foreign resident (tax purpose)	Foreign tax jurisdictions of foreign residents
Envirostream Australia Pty Ltd	Body Corporate	n/a	100%	Australia	Australian	n/a
Resource Conservation and Recycling Corporation Pty Ltd	Body Corporate	n/a	100%	Australia	Australian	n/a
VSPC Pty Ltd	Body Corporate	n/a	100%	Australia	Australian	n/a
Trilithium Erzgebirge GmbH	Body Corporate	n/a	100%	Germany	Foreign	Germany and Australia

Note 32 Parent Entity

As at 30 June 2026 and throughout the financial year ending on that date, the parent company of the Group was Livium Ltd.

Parent entity	2026	2025
	$	$
Assets		
Current assets	2,260,118	2,840,581
Non-current assets	666,156	791,058
Total assets	**2,926,274**	**3,631,638**
Liabilities		
Current liabilities	505,820	900,261
Non-current liabilities	67,151	188,996
Total liabilities	**572,971**	**1,089,257**
Equity		
Issued capital	108,929,969	104,244,844
Reserves	4,789,042	5,716,933
Accumulated losses	(111,365,708)	(107,419,395)
Total equity	**2,353,303**	**2,542,382**
Loss for the year	(3,946,313)	(6,471,294)
Total comprehensive loss for the year	**(3,946,313)**	**(6,471,294)**

Note 33 Commitments

Expenditure contracted for but not recognised as liabilities:

Commitments	2026	2025
	$	$
Capital plant and equipment	-	74,000
Other operating commitments – workplace compliance	32,800	-
Total commitments	**32,800**	**74,000**

Note 34 Share Based Payments

N34.1 Options

Details of the unissued ordinary shares under option are as follows:

Series	Grant Date	Date of Expiry	Exercise Price	Number under Option	Exercised during the year	Expired/ Lapsed during the year	Fair Value
Listed LITOB	19/10/2022	19/10/2025	$0.1000	139,329,261	-	(139,329,261)	$0.020
Listed LITOC	28/02/2025	28/04/2028	$0.0200	76,666,667	-	-	$0.003
Listed LITOC [2]	25/11/2025	28/04/2028	$0.0200	122,000,000	-	-	$0.001
Unlisted	24/07/2024	24/07/2028	$0.0310	39,000,000	-	-	$0.012
Unlisted	29/10/2024	31/12/2028	nil	6,357,905	(260,000)	(1,040,000)	$0.020
Unlisted	04/03/2025	31/12/2028	nil	4,754,571	(2,000,000)	-	$0.020
Unlisted [1]	25/11/2025	31/08/2029	nil	18,200,000	-	-	$0.011

[1] Options with zero exercise price expiring 31 August 2029 issued to Managing Director/ CEO as part of their remuneration package.

[2] On 28 November 2025, the Group advised the issue of a total of 122,000,000 options following receipt of shareholder approval at the Company's General Meeting held 25 November 2025.

Details of Performance Rights outstanding under the plans at balance date are as follows:

Grant Date	Expiry Date	Balance at 1 July 2025	Granted during the year	Cancelled/Lapsed during the year	Vested during the year	Balance at 30 June 2026
11/10/2021	11/10/2026	1,000,000	-	-	-	1,000,000
11/10/2021	11/10/2026	2,000,000	-	-	-	2,000,000
29/11/2022	30/11/2026	12,250,000	-	-	-	12,250,000
29/11/2022	30/11/2026	12,250,000	-	-	-	12,250,000
1/01/2023	31/12/2026	6,000,000	-	-	(6,000,000) [1]	-
26/04/2023	31/12/2026	6,000,000	-	(4,000,000) [2]	(2,000,000) [1]	-
21/08/2023	31/12/2026	3,200,000	-	-	(3,200,000) [1]	-
29/10/2024	31/12/2028	36,000,000	-	-	-	36,000,000
29/10/2024	31/12/2028	58,920,000	-	(19,520,000) [2]	-	39,400,000
19/12/2024	31/12/2028	12,200,000	-	(12,200,000) [2]	-	-

[1] As announced to the ASX on 5 August 2025, 11,200,000 ordinary shares were issued to the Managing Director/CEO and the members of executive leadership team upon the vesting and conversion of performance rights, following the achievement of Hurdle 5.

[2] Performance rights lapsed following the cessation of employment of members of the executive leadership team.

N34.2 Reconciliation to Share-based Payment Expense Recognised in Profit or Loss

The tables above represent the total fair value of equity instruments at grant date. These amounts are not expensed immediately but are amortised over the respective vesting periods, adjusted for any cancellations or accelerations, in accordance with AASB 2 Share-based Payment.

During the year, the Group recognised the following share-based payment expense (including reversals arising from lapses and accelerated recognition resulting from cancellations) in profit or loss:

	2026	2025
	$	$
Performance rights amortisation	399,199	738,119
Options amortisation	234,838	80,113
Cancellation of performance rights (accelerated vesting)	71,500	857,187
Options lapsed	(11,597)	-
Performance rights lapsed	(157,107)	-
Total	**536,833**	**1,675,419**

Note 35 Subsequent Events

- On 1 July 2026, the Group announced the successful completion of the Stage 1 rare earth technology test program conducted by the University of Melbourne. The positive results support progression of the technology to the next stage of development.
- On 7 July 2026, the Group announced a collaboration with Oscorp to advance AI-enabled battery sorting technology, aimed at improving battery identification and processing efficiency.
- On 8 July 2026, the Group announced the successful commissioning of the dedicated battery processing plant under the Sell & Parker agreement. The facility commenced processing increased battery volumes under the agreement.
- On 28 July 2026, the Group announced the execution of a Battery Services Agreement with Sigenergy to provide end-of-life battery collection, logistics and recycling services across Australia.
- On 30 July 2026, the Group entered into funding agreements with The Lind Partners, providing initial gross funding of A$1.575m and launching a Share Purchase Plan to eligible shareholders. The funding is intended to support the Group's recycling strategy, selected recycling adjacencies, activities to preserve or realise value from VSPC, and general working capital.
- On 4 August 2026, the Company issued 100,000,000 fully paid ordinary shares at an issue price of A$0.008 per share and 83,333,333 options exercisable at A$0.012 and expiring on 3 August 2030.