LIVIUM LTD

ACN 126 129 413

Annual Report

For the Year Ended 30 June 2026

Livium Ltd
ACN 126 129 413
+61 (0) 3 7017 2656
info@lithium-au.com
liviumcorp.com

Table of Contents

Corporate Directory

Livium Ltd Corporate Directory	
Directors	
Managing Director and CEO:	Simon Linge
Non-Executive Chair:	Phillip Campbell
Non-Executive Directors:	Kristie Young Phil Thick
Executive Management	
Chief Financial Officer:	Stuart Tarrant
Joint-Company Secretary:	Catherine Grant-Edwards Melissa Chapman
Business Details	
Registered Office:	15 Marwen Drive, Derrimut, Victoria, 3026
Principal Place of Business:	15 Marwen Drive, Derrimut, Victoria, 3026
Phone:	+61 (0) 3 7017 2656
Email:	info@liviumcorp.com
Website:	www.liviumcorp.com
Stock Exchange Listing:	Livium Ltd securities are listed on Australian Securities Exchange (ASX Codes: LIT, LITOC)
Other Details	
Bank:	National Australia Bank, 100 St Georges Terrace, Perth WA 6000
Auditors:	Hall Chadwick WA Audit Pty Ltd (Hall Chadwick), 283 Rokeby Road, Subiaco WA 6008
Share Registry:	Automic Group on 1300 429 179 (domestic calls) or +61 2 7208 4522 (international calls) or by email at corporate.actions@automicgroup.com.au

Chairs' Letter

Dear Shareholders,

This is my first letter to you covering a full financial year as Chair, having joined the Board in April 2025. My joining followed closely on the heels of a strategic review which took place in the second half of calendar 2024 and focused on the commercial growth strategy. Subsequently, we have further refined our approach, including the tightening of operational objectives and timelines for their completion.

The body of this annual report lays out the details of how we expanded, strengthened and deepened relationships with our customers, and how we laid the foundation of infrastructure to support our future growth − so I won't repeat that here. What I want to reflect on, as Chair, is the discipline behind those choices. Battery recycling remains Livium's core priority, and Envirostream's position Australia's leading lithium-ion battery recycler is the platform everything else is built upon.

Safety is our number one priority.

Given the nature of our business, having a safe and respectful workplace is non-negotiable and I am pleased to report that our executive and production teams have acquitted themselves with an almost perfect safety record, despite having to achieve more with less this past year.

They have incurred no Lost Time Injuries and one Medical Treatment Injury. While any injury is unacceptable, these results are a testament to our focus on safety management in the battery recycling industry. This focus is important in a workplace with operations that involve disassembling batteries with ever present electrical hazards from undischarged batteries. In this regard, the Board wishes to recognise the leadership shown by Steven Marshall, our COO.

A laser focus on long-term resilience.

Extracting value from the company's legacy interests in LieNA® and preserving value in VSPC to enable focus on growth opportunities presented by the Envirostream recycling business has been the theme of FY26. Ably led by our MD, Simon Linge, the management team has been largely successful in realising cash while positioning Envirostream for stronger future performance. The provision related to the 2019 fire, which has cast a shadow over the Balance Sheet for many years, has been resolved subsequent to year end, with no settlement cash outflow by Livium − as at the date of this financial report, the fire-related provision is nil.

LieNA®

Mineral Resources Limited (MinRes) exercised their right to convert their funding of the technology to LieNA® equity, resulting in the formation of a 50:50 Joint Venture with us in August 2025. The next phase of technology development requires MinRes to design, fund and develop a Demonstration Plant. No decision has yet been made by MinRes, who are assessing the best time to scale the technology.

VSPC

A decision on commercialisation of VSPC, Livium's lithium ferro phosphate (LFP) cathode powder technology, remains a priority for the Board. During FY26, Livium held discussions with a large multinational industrial organisation regarding a potential strategic alliance and investment in Livium, and subsequent to year end they confirmed their interest to undertake due diligence, underscoring strong external validation of VSPC's Gen4 technology. If the discussions are successful, opportunities across battery materials, battery recycling and potential international growth pathways will emerge. These discussions are ongoing and no binding agreement has yet been reached.

Subsequent to year end, the Company secured funding agreements with The Lind Partners providing potential funding capacity of up to $11.75 million, along with a Share Purchase Plan. Together, these provide the necessary funding to complete discussions. Whilst we hope these discussions conclude successfully, we are prepared to undertake an orderly transition of VSPC to care and maintenance in the event they are unsuccessful.

Envirostream

The major focus for the executive team in FY26, which continues apace in FY27, is the growth in lithium-ion battery collection and processing, leading to a sustainably profitable, environmentally responsible business. The ending of the lease at our previous warehousing and preparation facility in North Laverton, Victoria created an opportunity for us to consolidate battery processing operations into a singular site, which we secured at Derrimut, Victoria. Known as the Derrimut Recycling Hub, this facility is capable of accommodating our projected growth based on independent forecasts of failed batteries entering the market in the medium term.

The Board is encouraged that this decision is already proving well-founded, with Envirostream subsequently partnering with CATL, the world's leading lithium-ion battery manufacturer, and Sigenergy, Australia's leading residential battery brand. Securing these customers in addition to the collection of household names that consider Envirostream as a suitable long-term recycling partner is testament to what we are building. There is more detail on customer development throughout this report.

The Operating Environment.

Regulatory settings across Australia currently leave gaps in the enforcement of proper battery collection, transport and processing, including through illegal export, landfill disposal and non-compliant processing. This enforcement deficiency has featured in recent media coverage, including reporting by The Age and The Sydney Morning Herald in early May. It raised serious questions for the industry. Together with industry peers, Livium continues to advocate for regulatory reform that supports consistent, high-integrity standards across the sector.

New South Wales remains the leading jurisdiction on recycling legislation, as noted in last year's report, though progress elsewhere at state and federal level has been limited over the past 12 months. The appointment of John Bradley as CEO of the National EPA, reporting to Minister Murray Watt, is an encouraging development and we were pleased to host senior National EPA officials at our Derrimut operations on 13 August 2026 to discuss the opportunities and challenges facing the industry.

During the year, we wrote to the Chairs of the Risk and Audit Committees of major ASX-listed companies with exposure to battery collection or disposal, including major retailers and mining companies. We also wrote to the CEOs of major electric and hybrid vehicle importers and retailers. Our letters highlighted their chain-of-custody and the ESG reporting responsibilities relevant to battery disposal. Discouragingly, we are yet to receive any responses, but we will continue our engagement and remain optimistic about adoption. The potential for reputational damage, let alone environmental damage, and latent personal injury risk from improper disposal of batteries, has yet to be fully recognised in the boardrooms of Australia.

Recent media reporting has also raised questions about how effectively the Battery Stewardship Council's accreditation scheme is delivering on its stated goal of ensuring every imported battery is recovered and reprocessed. We believe the scheme would benefit from stronger governance and management oversight particularly related to the audit and verification processes of battery recyclers.

In Closing.

Livium has the opportunity to participate in and benefit from the accelerating global transition to electrification and decarbonisation. Our focus remains on improving revenue from recycling. Achieving that growth involves the disciplined evaluation of improved battery collection methods, including interstate collection hubs, and joint ventures with like-minded recyclers of materials key to the net zero energy transition.

We remain grateful for the continued support of our shareholders and the dedication of all of our employees, particularly while we implement some difficult but necessary restructuring initiatives.

Phillip Campbell

Non-Executive Chair

Directors' Report

The Directors present their report on Livium Ltd ("**LIT**" or the "**Group**") and its controlled entities (the "**Group**") for the year ended 30 June 2026 (the "**year**").

1 Directors' Report

1.1 Board of Directors

The names and details of the Group's directors in office during the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Board of Directors	
Managing Director and CEO:	Simon Linge
Non-Executive Chair:	Phillip Campbell
Non-Executive Director:	Kristie Young Phil Thick

1.2 Information on Directors

Information on Directors			
Managing Director and CEO			
Name:	**Simon Linge**	**Qualifications:**	BEco (Hons), MAICD
Experience:	Mr Linge has over 30 years' experience in manufacturing, logistics and infrastructure. Mr Linge has held multiple senior leadership positions. This included an executive role at Pact Group, a leader in the circular economy focused on minimising waste through packaging, reuse, and recycling solutions. He also served as Managing Director & CEO of Bradken Limited, a global manufacturer of designed alloyed steel components, with a primary focus on the mining sector. Prior to these roles, Mr Linge also held senior executive positions with BlueScope throughout Australia, Asia, New Zealand, and USA. Mr Linge is the President of Association for the Battery Recycling Industry (ABRI).		
Other directorships in listed entities held in the past three years:	None		
Non-Executive Chair			
Name:	**Phillip Campbell**	**Qualifications:**	BEng (Hons), GAICD
Experience:	Phillip is an experienced independent non-executive director on publicly listed and private company boards. He has executive experience (MD/CEO roles) in a range of national manufacturing and engineering businesses and has significant experience in expanding and developing businesses. Phillip has a Bachelor of Electrical and Electronics Engineering from the University of Queensland and is a graduate member of the Australian Institute of Company Directors (GAICD).		
Corporate governance committee roles:	• Member of the Audit & Risk Committee • Member of the Remuneration & Nominations Committee		
Other directorships in listed entities held in the past three years:	• Non-Executive Chair – Verbrec Limited (ASX:VBC)		

Information on Directors			
Non-Executive Director			
Name:	**Kristie Young**	**Qualifications:**	BEng (Hons) Mining, Post Grad Dip (Education), FAICD, FAusIMM
Experience:	Ms Young has over 25 years' experience in industry with a focus on the resources sector, coupled with over 15 years' experience on boards and committees. Experience spans across technical mining engineering, project evaluation, strategy, growth, marketing, commercial, client management, governance, executive search and business development (BD) including BD Director roles with both EY and PwC. Ms Young is Non-Executive Director with MinEx CRC and two other ASX listed entities. She holds a BEng(Mining)Hons, Post Grad DipEd (Maths, IT), Cert IV(HR), is a Graduate and Fellow of the AICD and a Fellow of the AusIMM.		
Corporate governance committee roles:	• Chair of the Audit & Risk Committee • Member of the Remuneration & Nominations Committee		
Other directorships in listed entities held in the past three years:	• Non-Executive Director – Brazilian Rare Earths Ltd (ASX:BRE) • Non-Executive Director – Tasmea Ltd (ASX:TEA) • Non-Executive Chair – Corazon Mining Limited (ASX:CZN) (Resigned 11 August 2026) • Non-Executive Director – Tesoro Resources Limited (ASX:TSO) (Resigned 5 October 2023)		
Non-Executive Director			
Name:	**Phil Thick**	**Qualifications:**	BE (Hons), FAICD, FIEAust
Experience:	Phil Thick has over 30 years' senior executive experience in oil and gas, mining and chemical processing in large multinational companies, smaller ASX listed companies and privately owned companies. In addition, Mr Thick has extensive experience in Non-Executive Director roles and has chaired many of those boards for extended periods. Mr Thick had a 20-year career with Shell in Australia and overseas and for the last 3 years was Downstream Director on the Board of Shell Australia. This was followed by 5 years as a director and CEO of Coogee Chemicals and then 4 years as CEO of New Standard Energy. Prior to joining the Group, Mr Thick led Tianqi Lithium Australia, a subsidiary of Tianqi Lithium Corp out of China, one of the world's largest lithium companies. Tianqi owns 51% of the Greenbushes mine in Western Australia, the world's best hard-rock lithium resource, and Mr Thick was charged with building the world's largest lithium hydroxide plant in Kwinana south of Perth, an investment of nearly $1billion. Mr Thick also chairs the boards of the Chamber of Arts and Culture WA and Perth Symphony Orchestra. During the year, Mr Thick was appointed as Interim Non-Executive Chair from 3 January 2025 to 31 March 2025.		
Corporate governance committee roles:	• Chair of the Remuneration & Nominations Committee • Member of the Audit & Risk Committee		
Other directorships in listed entities held in the past three years:	• Non-Executive Chair – Macallum New Energy Limited (ASX:MNE) (Listed 25 February 2026) • Non-Executive Director – Patriot Resources Limited (ASX:PAT) (Resigned 26 March 2026)		

1.3 Joint Company Secretary

Ms Catherine Grant-Edwards (Chartered Accountant (CA)) and Ms Melissa Chapman (Certified Practicing Accountant (CPA), AGIA/ACIS, GAICD) are directors of Bellatrix Corporate Pty Ltd (Bellatrix), a company that provides company secretarial and accounting services to a number of ASX listed companies. Between them, Ms Chapman and Ms Grant-Edwards have over 40 years' experience in the provision of accounting, finance and company secretarial services to public listed resource and private companies in Australia and the UK, and in the field of public practice external audit.

1.4 Principal Activities

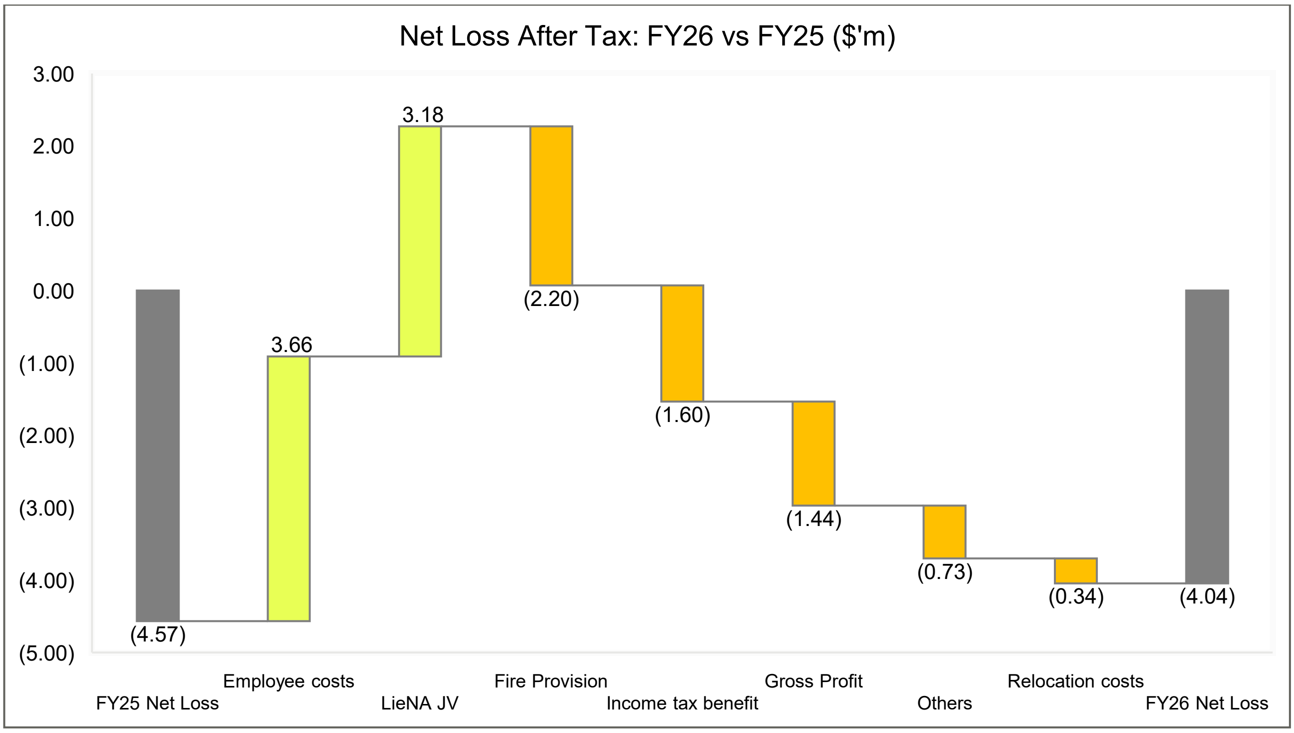
The principal activities of the Group during the year were battery recycling and the development and commercialisation of recycling and battery-related technologies. The Group operates Australia's market leading lithium-ion battery recycler, and is expanding its services into processing of black mass, recycling of solar panels and recovery of rare earth elements.

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

There were no significant changes in the nature of the Group's principal activities during the year.

1.5 Results of Operations

The operating loss after income tax of the Group for the year ended 30 June 2026 was $4.04m (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 FY25, 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 gain on JV formation of approximately $2.9m and share of profit from the equity-accounted investment of approximately $0.3m (FY25: Nil).

Fire Provision: $2.2m year-on-year movement, reflecting a $0.1m increase in the provision in FY26 compared with a $2.1m reduction in FY25.

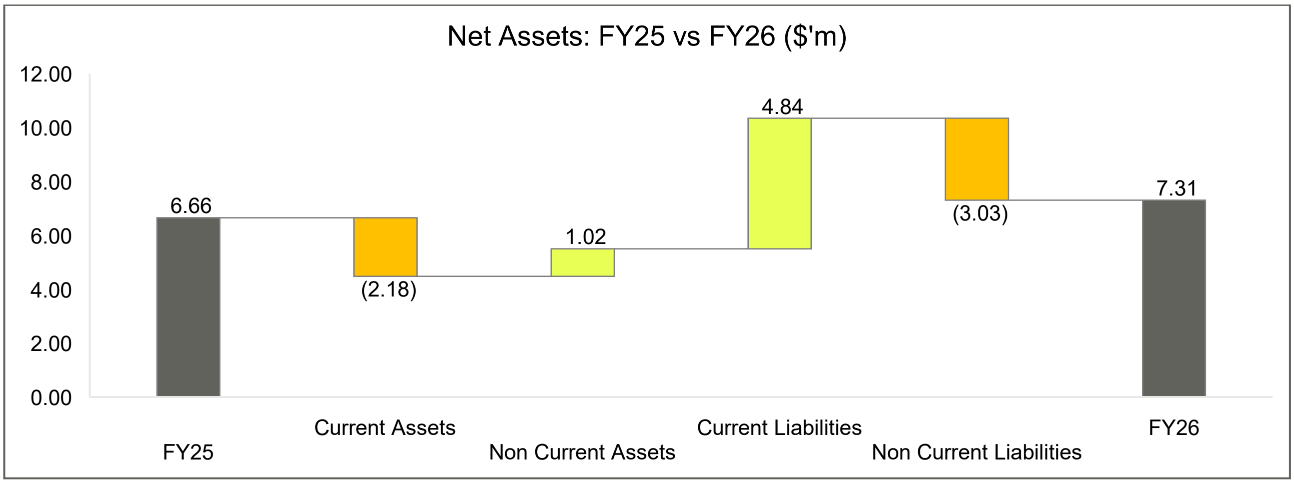
Income Tax Benefit: FY25 included an income tax benefit of $1.6m arising from the recognition of a Deferred Tax Asset. No corresponding income tax benefit was recognised in FY26.

Gross Profit: Gross profit decreased compared with FY25, 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: Non-recurring costs incurred in connection with the Group's site relocation activities to Derrimut during FY26 (FY25: Nil).

Net assets of the Group for the year ended 30 June 2026 were $7.31m (2025: $6.66m). The key movements over the financial year are summarised in the following graphic:



Current Assets: Decreased primarily due to cash utilised during the year, including the deconsolidation of LieNA® following the formation of the 50:50 joint venture, lower trade receivables and reduced battery inventories. These decreases were partially offset by proceeds from the $4.2m placement net of transaction costs and the receipt of $1.3m in R&D tax incentive refunds. Financial assets increased primarily due to net increase of bank guarantees related to the relocation to the new Derrimut facility.

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 due to the conversion of the MinRes convertible note into equity upon formation of the LieNA® joint venture on 8 August 2025, partially offset by higher current lease liabilities following commencement of the Derrimut lease.

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

The Group's working capital position remained in deficit during the year, improving from $6.2m at 30 June 2025 to $3.5m at 30 June 2026. This primarily reflects the conversion of the MinRes convertible note into equity upon formation of the LieNA® joint venture, partially offset by current lease liabilities and other working capital movements.

The fire-related provision of $5.465m was included in current liabilities at 30 June 2026. As the five claims were settled after year end, the full $5.465 million provision has been released in FY27. As at the date of this financial report, the fire-related provision is nil. Envirostream has been indemnified by its insurer in respect of the claims and, accordingly, settlement of the claims does not result in a cash outflow by Livium (refer Note 17). Accordingly, there are reasonable grounds to believe the Group can meet its obligations as they fall due.

1.6 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 (2025: Nil).

2 Review of Operations

2.1 Overview

Livium Ltd ("Livium" or the "Company") is building an Australian platform for circular material recovery, focused on recovering critical materials from batteries and clean-energy infrastructure.

During FY26, the Company confirmed recycling as its core strategic focus, with its wholly owned subsidiary, Envirostream Australia Pty Ltd ("Envirostream"), at the centre of the Group's operations. Livium's recycling strategy is founded on lithium-ion battery recycling and supported by selected adjacent opportunities, including black mass processing, photovoltaic ("PV") panel recycling and rare-earth element ("REE") recovery.

The Company continued to strengthen its battery-recycling infrastructure, customer base and technical capabilities during the year. This included securing and commencing operations from a new, larger recycling facility in Derrimut, Victoria, entering into new and expanded customer agreements and advancing technology partnerships across adjacent opportunities.

Livium also continued to preserve and maximise value from its complementary technology portfolio. The partnership with Mineral Resources Limited ("MinRes") related to the LieNA® lithium-extraction technology was formalised through the formation of a 50:50 joint venture. VSPC Pty Ltd ("VSPC") continued to pursue a strategic funding pathway for its lithium ferro phosphate ("LFP") technology to allow development of a Demonstration Plant, for its Gen4 cathode powders.

2.1.1 Working Capital Management

At 30 June 2026, Livium held cash and cash equivalents of approximately $2.3m. The Company's focus is progressing the Group towards cash neutrality through disciplined cost management, growth in recycling revenue and resolution of the future funding pathway for VSPC.

2.1.1.1 Fund Raising

During the year, the Company completed a placement to existing shareholders and new institutional and sophisticated investors, raising gross proceeds of $4.5m before costs.

The placement comprised the issue of 360,000,000 fully paid ordinary shares at an issue price of $0.0125 per share, together with one free-attaching option for each placement share. The options are exercisable at $0.02 and expire on 28 April 2028 (ASX:LITOC).

The proceeds were applied towards expanding national battery collections, consolidating operations into the centralised recycling facility and progressing the Company's REE, PV and black mass initiatives.

2.1.1.2 R&D Tax Incentive Rebates

During the year, the Company received approximately $1.3m in R&D tax incentives relating to FY25 activities undertaken by Envirostream and VSPC.

2.1.1.3 Joint Venture Distribution

During the year, the Company received distributions totalling approximately $0.5m from its 50% interest in LieNA Pty Ltd. The distributions included the joint venture's receipt of R&D tax incentive proceeds for FY25.

2.2 Battery Recycling Division

Livium operates Australia's market-leading lithium-ion battery recycler through its wholly owned subsidiary, Envirostream.

Envirostream provides national battery collection, transport, dismantling and recycling services. Its operations recover materials from end-of-life batteries, including the production of black mass, also referred to as mixed metal dust, which is sold for further refining.

2.2.1 Operating and Financial Performance

During the year, Envirostream generated revenue of approximately $6.13m, gross profit of approximately $2.79m, representing a gross margin of approximately 46%.

Envirostream collected approximately 934 tonnes of batteries during the year, of which 58% related to lithium-ion batteries. While overall collection volumes were broadly consistent with the prior year, the composition of those volumes changed materially.

FY26 included a higher proportion of non-lithium-ion batteries, principally from an NSW EPA mixed-battery clean-up undertaken across both halves of the financial year. These batteries are generally more complex to handle and process and therefore incur higher direct costs than large-format lithium-ion batteries. This change in product mix adversely affected gross margins during the year.

Revenue and profitability were also affected by the timing of contracted battery volumes, project-based decommissioning activity and regulatory approvals. These factors can result in customer volumes moving between reporting periods and create variability in financial performance.

2.2.2 Customer Development

Envirostream continued to expand and diversify its customer base across battery manufacturers, automotive businesses, energy-storage providers, local government and other commercial sectors.

During the year, Envirostream entered into new and expanded recycling arrangements that support the development of more consistent underlying collection volumes, supplemented by larger project-based opportunities.

This included formalising a Recycling Services Framework Agreement with CATL HK, a subsidiary of Contemporary Amperex Technology Co., Limited (CATL), the world's leading lithium-ion battery manufacturer, establishing a structured framework for battery collection, logistics, recycling, certification and reporting, with an initial term through to May 2029.

Envirostream also extended and expanded its agreement with Sell & Parker, extending the term by approximately one year and introduced a deposit to fund an additional dedicated processing line supporting an acceleration in contracted volumes.

The Company continued to target growth in electric vehicles, residential and grid-scale energy storage, battery stockpiles and products containing embedded batteries.

2.2.3 Synergy Alkimos BESS Project

During the year, Envirostream completed the recycling of Synergy's Alkimos Beach Community Battery Energy Storage System in Western Australia.

Envirostream delivered an integrated end-of-life solution covering logistics, dismantling, processing and material recovery. The project involved 348 lithium-ion battery modules and recovered approximately 11.6 tonnes of material, achieving an overall recycling rate of approximately 71.5%.

The project demonstrated Envirostream's capability to manage large-format energy-storage systems and supports the Company's continued expansion into the Western Australian market.

2.2.4 Centralised Recycling Hub

During the year, Livium executed a five-year lease for a centralised recycling facility in Derrimut, Victoria.

The Derrimut Hub is now Envirostream's primary Victorian site. During the June quarter, Livium completed the relocation of its head office and Laverton North operations to the Hub.

The facility supports the consolidation of Livium's Victorian operations and provides infrastructure to expand collection, dismantling, storage and processing capacity as battery volumes grow. The consolidation of operations is expected to improve operational efficiency, reduce duplicated handling activities and provide capacity to support future growth in battery recycling volumes.

Envirostream's existing processing capacity is approximately 2,400 tonnes per annum. The Derrimut facility provides the potential to increase capacity to approximately 10,660 tonnes per annum through the future installation of additional large-format processing equipment and extended operating hours.

The Campbellfield processing operations, including the additional processing line funded under the Sell & Parker agreement, are expected to relocate to the Hub at a later date, subject to relevant approvals.

2.2.5 Hub and Spoke Development

Livium continued to progress its Hub-and-Spoke operating model.

Under this model, regional Spoke facilities are intended to support the collection, sorting, dismantling, discharge and safe storage of batteries before transport to the centralised Hub for further processing.

Western Australia remains a priority Spoke region. Livium continues to assess strategic partnerships and acquisition opportunities to support the measured expansion of its battery recycling operations.

2.2.6 Battery Recycling Outlook

The medium- to long-term outlook for end-of-life battery volumes remains positive, supported by increasing adoption of electric vehicles and energy-storage systems, product-recall activity and the continued development of battery-stewardship and regulatory frameworks.

The battery recycling industry remains nascent, with material increases expected towards the end of the decade. Today, this means that the number and timing of batteries that ultimately require recycling remains uncertain. Manufacturers may initially pursue software updates, component repairs or module replacement before undertaking a full battery replacement, which can delay the receipt of recall-related volumes.

Battery recalls continue to represent a source of potentially significant future recycling volumes. Current Australian recall notices cover approximately 7,900 electric vehicles with high-voltage battery-related defects, including Volvo EX30, Hyundai Kona EV and Hyundai Ioniq EV models, as well as certain Tesla Powerwall 2 systems and a range of LG residential energy-storage batteries. While the number and timing of batteries becoming available for recycling remains uncertain, these recalls demonstrate a viable source of both EV and energy-storage-system batteries requiring safe collection, transport and end-of-life processing.

Envirostream's expanded infrastructure, national collection capability and experience in safely managing large-format battery systems position the business to participate in these emerging volume opportunities.

During the year, Livium also commenced engagement across the Australian data-centre sector to assess potential future battery-retirement and recycling requirements. While this engagement had not resulted in contracted commercial volumes at year end, data-centre backup systems represent a potential longer-term source of large-format battery volumes.

2.3 Other Recycling Verticals

Livium continued to develop adjacent recycling opportunities that complement Envirostream's customer relationships, feedstock access and existing operational capabilities.

These opportunities include the processing of black mass, recycling of end-of-life PV panels and recovery of rare-earth elements.

2.3.1 Rare-Earth Element Recovery

During the year, Livium executed a binding licence agreement with the University of Melbourne securing exclusive global rights to their microwave-assisted leaching technology for REE extraction, with an option to extend the licence to include platinum-group metals.

Stage 1 testwork demonstrated recovery rates exceeding 90% for both neodymium and praseodymium. During the second half of FY26, the testwork was successfully scaled by ten times to a 1.0 gram sample size while maintaining recovery performance. Praseodymium recovery also improved by approximately 10% compared with the initial results reported in November 2025.

Operating temperatures were reduced from 210°C to 180°C, delivering estimated energy savings of approximately 15% while maintaining recovery rates of approximately 90%. The process also demonstrated improved selectivity through reduced iron leaching, which may support more efficient downstream purification.

The results provided further technical validation of the process and informed the pathway towards Phase 2, which targets further scale-up towards pilot-scale testing and commercial assessment.

2.3.2 Solar Panel Recycling

Livium continued to progress its PV recycling strategy through partnerships with Iondrive Limited and Won Kwang S&T Co., Ltd.

During the year, Livium supplied representative solar-panel material to Iondrive for testing of its Deep Eutectic Solvent processing technology. Initial laboratory testwork achieved silver recovery of more than 85%, providing early technical validation of the potential to recover high-value materials from end-of-life PV panels.

Livium also collected and shipped approximately 600 end-of-life solar panels to Won Kwang S&T's facility in South Korea. The shipment supported testing and validation of Won Kwang S&T's dismantling and material-recovery technology and represented the first stage of the parties' proposed cooperation model.

2.3.3 Black Mass Processing

Livium continued to evaluate commercial opportunities to extend its participation in the battery-recycling value chain through further processing and sale of black mass.

During the year, Livium supplied black mass feedstock to Iondrive for technical testing of its solvent-based extraction process.

Livium also entered into a non-binding memorandum of understanding with Sumitomo Corporation to progress discussions regarding the potential sale and purchase of black mass and broader collaboration relating to Envirostream's black mass production activities.

Sumitomo Corporation's global network and downstream relationships may support access to additional battery-material markets and demand channels. The proposed collaboration complements Envirostream's existing binding black mass offtake agreement with SungEel HiTech, which provides contracted arrangements through to June 2027.

Livium and Sumitomo Corporation were working towards definitive agreements at year end. Any future investment or commercial development remains subject to satisfactory technical results, economic assessment and appropriate commercial and funding arrangements.

2.4 Non-Recycling Verticals

2.4.1 Lithium Chemicals Division (LieNA®)

LieNA Pty Ltd is a 50:50 joint venture between Livium and MinRes and holds the patented LieNA® lithium-extraction technology.

During the year, the parties formally completed the agreed Stage 1A optimisation activities and established the joint venture. The Stage 1A activities included assessing alternative commercialisation pathways and selecting the preferred lithium product for the technology, including the potential production of battery-grade lithium carbonate. No substantive technical development activities were required or undertaken during FY26.

The joint venture's intended commercialisation model includes the potential licensing of the technology to a semi-commercial demonstration facility and, subsequently, to third parties.

The project is currently in the agreed post-Stage-1 decision phase under the JDA, during which MinRes is considering the design, funding and development pathway for a Demonstration Plant.

The joint venture remained funded through FY27 and continued to preserve longer-term optionality for partnerships and potential monetisation. During FY26, Livium received cash distributions totalling approximately $0.5m from the joint venture.

2.4.2 Battery Materials Division (VSPC)

VSPC has developed proprietary technology for producing advanced LFP and lithium manganese ferro phosphate cathode materials.

The proposed commercialisation pathway requires substantial capital investment, including external co-funding to access the Australian Renewable Energy Agency grant of up to $30m. Given the scale of the funding required and Livium's other capital priorities, the Company is not currently in a position to fund the required investment from its own balance sheet.

During the year, Livium advanced non-binding discussions with a large multinational industrial organisation regarding a potential strategic alliance and investment. The discussions include opportunities relating to VSPC's Gen4 LFP technology, battery recycling and potential international growth pathways.

As at the date of the report, discussions remained incomplete and no binding agreement had been entered into. There is no certainty that a transaction will proceed, and any transaction would remain subject to due diligence, negotiation, definitive documentation and relevant approvals.

Should the strategic alliance and investment process result in a binding and funded transaction, Livium's future funding requirement for VSPC would be reduced. If the process concludes without a binding transaction, the Company intends to commence an orderly shutdown of VSPC's current operations and transition the business to care and maintenance by 31 December 2026.

Under a care-and-maintenance model, limited activities would continue to preserve VSPC's technology, intellectual property and strategic assets while minimising ongoing expenditure and retaining flexibility to pursue future value-realisation opportunities.

2.5 Other Information

2.5.1 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 $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 $0.008 per share and 83,333,333 options exercisable at $0.012 and expiring on 3 August 2030.
- On 28 August 2026, the Company released its unaudited Appendix 4E and Preliminary Final Report for the year ended 30 June 2026.
- On 3 September 2026, the Company issued 11,718,750 fully paid ordinary shares to Lind Global Fund III LP, being Tranche Shares pursuant to the funding arrangements announced on 30 July 2026.
- On 10 September 2026, the Group announced a general update of activities for the first few months of FY27.
- On 14 September 2026, the Company issued 287,733 fully paid ordinary shares upon the exercise of options.
- On 16 September 2026, the Company announced the successful completion of its Share Purchase Plan, receiving valid applications totalling $794,280 for 96,863,527 new fully paid ordinary shares. The shares were issued on 18 September 2026.
- On 18 September 2026, the Group announced an update in relation to the legal proceedings arising from the January 2019 Envirostream fire. Five claims have been settled and the remaining fire-related provision has been reduced to nil. The settlement information has been considered in the reassessment of the provision recognised at 30 June 2026. Refer to Note 17.

There are no other events subsequent to 30 June 2026 and up to the date of this report that would materially affect the results of those operations of the Group or its state of affairs which have not otherwise been disclosed in this financial report.

2.5.2 Shares

There were 2,064,367,119 ordinary shares on issue at 30 June 2026.

There were 2,273,237,129 ordinary shares on issue at the date of release of this report.

2.5.3 Options and performance rights

Options and performance rights on issue at 30 June 2026:

Options and performance rights on issue at 30 June 2026	
Description	**Number**
Performance Rights	102,900,000
LITOC: Options exercisable at $0.02 expiring 28 April 2028	892,000,001
Unlisted Options exercisable at $0.031 expiring 24 July 2028	39,000,000
Unlisted Options exercisable at NIL expiring 31 December 2028	7,812,476

Options and performance rights on issue at 30 June 2026	
Description	**Number**
Unlisted Options exercisable at NIL expiring 31 August 2029	18,200,000

Options and performance rights on issue at the date of release of this report:

Options and performance rights on issue at the date of release of this report	
Description	**Number**
Performance Rights	102,900,000
LITOC: Options exercisable at $0.02 expiring 28 April 2028	892,000,001
Unlisted Options exercisable at $0.031 expiring 24 July 2028	39,000,000
Unlisted Options exercisable at NIL expiring 31 December 2028	7,524,743
Unlisted Options exercisable at NIL expiring 31 August 2029	18,200,000
Unlisted Options exercisable at $0.012 expiring 3 August 2030	83,333,333

The Group will issue shares when the options and performance rights are exercised. Further details are provided in Note 34 in the Notes to the Financial Statements and in the Remuneration Report.

Movements in securities between 30 June 2026 and the date of release of this report included:

- Issued 83,333,333 options to Lind as part of the consideration for entering into the Funding Agreement. Refer to the ASX announcement dated 30 July 2026.
- Issued 100,000,000 Initial Shares pursuant to the Lind Funding Agreement. Refer to the ASX announcement dated 30 July 2026.
- Issued 11,718,750 fully paid ordinary shares to Lind on 3 September 2026, being Tranche Shares pursuant to the Lind Funding Agreement announced on 30 July 2026.
- Issued 287,733 fully paid ordinary shares on 14 September 2026 upon the exercise of options.
- Issued 96,863,527 fully paid ordinary shares on 18 September 2026 following completion of the Share Purchase Plan (SPP).

2.5.4 Directors' meetings

The number of Directors' meetings and meetings of the Committees held and attended by each of the Directors during the financial year was:

Meetings During Financial Year						
Director	**Board**		**Audit & Risk Committee**		**Remuneration & Nominations Committee**	
	Number Held and Entitled to Attend	**Number Attended**	**Number Held and Entitled to Attend**	**Number Attended**	**Number Held and Entitled to Attend**	**Number Attended**
Simon Linge	14	14	-	-	-	-
Phillip Campbell	14	14	4	4	2	2
Kristie Young	14	14	4	4	2	2
Phil Thick	14	12	4	3	2	2

2.5.5 Proceedings on behalf of the Group

Envirostream has previously been served writs in relation to damage caused by a fire at 31 Colbert Road, Campbellfield, Victoria, on 19 January 2019. The Group recognised a provision in respect of these claims. Envirostream has been indemnified by its insurer in respect of the claims and, accordingly, settlement of the claims does not result in a cash outflow by Livium.

No new claims were filed during the year in relation to the 2019 Campbellfield fire, and the six-year limitation period under the Limitation of Actions Act 1958 (Vic) expired in January 2025.

Legal proceedings in respect of historical claims continued during the year, including discovery and other pre-hearing matters. Subsequent to year end, settlements were reached in respect of five claims for an aggregate amount of $5.465 million. Envirostream's insurer has confirmed that, following the settlements above, it is not aware of any active legal proceedings remaining in relation to the fire.

The Company has also reassessed a separate historical matter based on updated information received from Envirostream's insurer. Based on the information available, the Company has concluded that an outflow in respect of this matter is remote and, accordingly, no provision is required.

Based on the latest available information, including the settlement details and insurer confirmations, the Group has assessed the provision at 30 June 2026 to $5.465 million. The post-balance-date settlement information was considered in determining management's best estimate of the obligation existing at the reporting date.

As the five claims were settled after year end, the full A$5.465 million provision has been released in FY27, resulting in a non-cash benefit of A$5.465 million to the Group's result before tax for the year ending 30 June 2027. As at the date of this Annual Report, the fire-related provision is nil.

Apart from the matters described above and in Note 17, no person has applied for leave of the Court to bring proceedings on behalf of the Group or intervened in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

3 Sustainability Report

3.1 FY26 Voluntary Sustainability Disclosure

Livium is building an Australian platform for circular material recovery, focused on recovering critical materials from batteries and clean-energy infrastructure. During the year, recycling remained the Group's core strategic focus, supported by selected adjacent opportunities in black mass processing, solar panel recycling and rare-earth element recovery.

This section provides an overview of Livium's sustainability approach and activities during the year. It is intended to complement, rather than duplicate, information contained elsewhere in the Annual Report. The disclosure is voluntary and does not represent a statement of compliance with AASB S1 or AASB S2.

3.1.1 Sustainability Highlights

44% **Female Workforce** up 2 percentage points from FY25	**0 LTI** **Lost Time Injury** down from 1 in FY25
358MWh **Electricity Consumed** a 12% decrease over FY25	**2,945kL** **Water Consumed** a 2% decrease over FY25
539t **Lithium-Ion Batteries Collected** a 35% decrease over FY25	**238t** **Recovered Black Mass** a 33% decrease over FY25
934t **Batteries Diverted from Landfill** consistent with FY25	**209kg** **LFP & LMFP Produced** a 6% decrease over FY25
13% **Voluntary Employee Turnover** up 1 percentage point from FY25	**747m^3** **Waste Disposal** a 38% decrease over FY25

3.2 Our Sustainability Approach

3.2.1 Purpose and Responsible Business

Livium's purpose is centred on responsible electrification and circular material recovery. The Group's activities seek to recover materials from end-of-life batteries and clean-energy infrastructure and return those materials to productive use, while maintaining safe, compliant and commercially disciplined operations.

3.2.2 Strategic Focus

During the year, Livium confirmed battery recycling as its core strategic focus, supported by selected adjacent opportunities in solar panel recycling, rare-earth element recovery and black mass processing. Beyond recycling, Livium's technology portfolio includes its 50:50 LieNA® joint venture with Mineral Resources Limited and VSPC's battery-material technology.

Further information on these activities is included in the Review of Operations.

3.2.3 Our Values – SPARCS

Livium's SPARCS values guide how we operate and make decisions across the Group. They reinforce the behaviours expected in our day-to-day work and underpin our approach to safety, people, customers, accountability, respect and sustainability.

- **Safety** – We choose safety first, every time.
- **People** – We take a people centred approach.
- **Active** – We act in a purposeful way that involves positive action.
- **Respect** – We respect and trust each other and all have a voice.
- **Creative** – We use technology to develop innovative solutions to accelerate global electrification.
- **Sustainable** – We each play a role in making the world a better place.

3.2.4 Stakeholder Engagement

Livium's activities depend on regular engagement with key stakeholders. Engagement includes customer and industry collaboration, regulatory and operational engagement, employee communication and training, and technical collaboration with research and technology partners.

Stakeholder	Primary focus	Engagement examples
Employees	Safety, capability and workplace expectations	Inductions, training, toolbox meetings and internal communication
Customers and industry partners	Safe collection, recycling and service delivery	Commercial agreements, operational reviews and project collaboration
Regulators and emergency services	Licensing, environmental compliance and operational safety	Reporting, approvals, site engagement and emergency planning
Research and technology partners	Technology development and material recovery	Testwork, technical workshops and collaborative development programs
Investors and Board	Performance, risk and governance	Board reporting, ASX disclosure and Annual Report reporting

3.3 Circular Economy, Material Recovery and Innovation

Circular economy and material recovery remain central to Livium's sustainability approach. During the year, the Group continued to focus on battery recycling and responsible material recovery while progressing selected adjacent recycling and recovery technologies.

934t batteries collected during FY26	**58%** of collections related to lithium-ion batteries	**11.6t** material recovered from the Synergy Alkimos BESS project
71.5% recycling rate achieved on the Synergy Alkimos BESS project	**>90%** Nd and Pr recovery demonstrated in REE testwork	**>85%** silver recovery achieved in initial PV testwork
~600 end-of-life solar panels supplied for technology testing	**2,400t pa** existing Envirostream processing capacity	**10,660t pa** potential Derrimut capacity with future expansion

Further information on Livium's recycling operations, technology development, commercial partnerships and key projects is included in the Review of Operations.

3.4 Safety and Responsible Operations

3.4.1 Safety Management

Safety remains a core operating priority across Livium's battery collection, transport, dismantling, storage and processing activities. The Group maintains site-specific procedures, induction requirements, risk assessments and emergency-response arrangements appropriate to the hazards associated with end-of-life batteries and regulated waste materials.

FY26 infrastructure planning and the transition to Derrimut placed continued emphasis on safe storage, traffic management, segregation, emergency response and operational controls. The centralised site provides an opportunity to reduce duplicated handling activities and improve the coordination of battery storage and dismantling activities as operations are consolidated.

3.4.2 Critical Battery Risks

Battery handling can involve hazards including thermal events, damaged cells, hazardous materials and interaction with mobile plant. Livium manages these risks through documented controls, operating procedures, training, segregation and escalation processes. Material safety and environmental matters are reported through management and Board governance processes.

3.4.3 Product Stewardship and Compliance

Envirostream participates in B-cycle, Australia's ACCC-accredited battery product stewardship scheme. Accreditation supports traceability, safety and responsible recycling outcomes across eligible battery collection and processing activities.

3.4.4 FY26 Safety Metrics

Performance against the Group's FY26 safety lead indicator targets was mixed. Hazard identifications achieved the annual target, while Safe Act Observations and Risk Assessments finished below target.

The Group achieved its FY26 lag indicator, with no Lost Time Injuries and one Medical Treatment Injury recorded during the year.

Safety lead indicator	FY26 Target	FY26 Actual	Achievement
Hazard Identifications	500	500	100%
Safe Act Observations	180	144	80%
Risk Assessments	270	238	88%

Other FY26 safety initiatives included revised warden structures, workplace testing at Campbellfield and a Fire Rescue Victoria walkthrough of the Derrimut facility. The Group also continued the roll-out of its Cardinal Rules, comprising 10 non-negotiable safety rules covering key areas including fitness for work, duty of care, training and competency, plant and equipment, hazardous materials and high-risk work. The rules are intended to reinforce expected safety behaviours and controls across the Group's operations.

3.5 People and Culture

3.5.1 Workforce

Livium's workforce supports operational recycling, technology development and corporate functions. During FY26, the Group continued to manage its workforce in line with the operating model and strategic focus on recycling, including the relocation of corporate and Laverton North activities to Derrimut.

3.5.2 Capability and Training

Role-specific capability remains important across battery handling, dangerous goods, plant operation, environmental compliance and emergency response. During the year, Livium continued to provide training across operational safety, inclusion, psychosocial hazards, CPR and emergency response, while also supporting broader battery-industry skills development.

3.5.3 Diversity and Inclusion

Livium continues to support a respectful and inclusive workplace through policies and practices covering equal opportunity, diversity, anti-harassment, grievance management and workplace conduct.

3.5.4 FY26 People Metrics

Metric	FY26	FY25
Total Group Employees	**37**	**50**
Envirostream Employees	21	29
VSPC Employees	7	7
Corporate (Livium) Employees	9	14
Voluntary Group Turnover	**13%**	**12%**
Proportion of Female Employees	**44%**	**42%**

3.6 Environmental Management and Climate

3.6.1 Environmental Management

Livium's environmental management approach is integrated into operational controls, licensing obligations and site procedures. Key areas include regulated waste handling and storage, stormwater and spill management, fire-water controls, waste disposal and compliance with conditions applicable to Envirostream's facilities. During the year, the Group continued to monitor key environmental measures including electricity and water consumption, waste and environmental compliance.

The transition to the Derrimut Hub provides an opportunity to consolidate operating activities and progressively improve infrastructure, storage arrangements and process efficiency. Campbellfield processing activities are expected to relocate to the Hub at a later date, subject to relevant approvals.

3.6.2 Energy and resource efficiency

Technology development related to rare-earth recovery during the year included process improvements with potential resource-efficiency benefits. Rare-earth element testwork, conducted at the School of Chemistry at the University of Melbourne, reduced operating temperature from 210°C to 180°C, delivering estimated energy savings of approximately 15% while maintaining recovery performance.

3.6.3 Climate-related Information

Livium continues to develop the quality and consistency of environmental and climate-related information used in internal and external reporting. As a voluntary reporter, the Group's FY26 approach is to provide information that is supported by available data and consistent with the broader Annual Report, while continuing to build capability for future Australian climate-reporting requirements.

3.6.4 Climate Reporting Readiness

Livium continues to develop its climate-related reporting capability in preparation for future Australian sustainability reporting requirements. Areas of ongoing development include climate scenario analysis, value-chain assessment, Scope 3 emissions and medium-term target setting. These areas will be progressed as the Group's data, methodology and reporting processes mature.

3.6.5 FY26 Environmental Metrics

Metric	FY26	FY25
Scope 1 & 2 emissions	307t CO_2-e (estimate)[1]	308.51t CO_2
Electricity consumed	358MWh	408MWh
Water consumed	2,945kL	3,004kL

3.7 Governance, Risk and Ethics

3.7.1 Board and Management Oversight

The Board is responsible for oversight of Livium's strategy, risk management and governance framework. The Audit & Risk Committee provides additional oversight of risk management, financial reporting and internal controls. Sustainability-related matters are considered through the Group's broader risk, compliance and operational governance processes.

3.7.2 Risk Management Approach

Sustainability and climate-related risks are considered within Livium's broader risk, compliance and operational governance processes. Material matters are assessed alongside other business risks and escalated through management to the Audit & Risk Committee and Board as appropriate. This approach supports ongoing monitoring of risks that may affect operations, financial planning, compliance or the Group's strategic priorities.

3.7.3 Ethics and Compliance

Livium maintains policies and governance processes covering compliance, ethical conduct, risk escalation and responsible handling of Company information. These controls support the Group's licence to operate and its relationships with customers, regulators, employees and other stakeholders.

[1] FY26 Group activities are materially the same as prior years and therefore an independent assessment was not undertaken. The FY26 estimate reflects an average of the assessments for FY25 (308.51t CO_2) and FY24 (306.29t CO_2).

3.8 Material Sustainability-Related Risks and Opportunities

Livium's key sustainability-related risks and opportunities are summarised below. These areas remain integrated with the Group's broader risk management and operational governance processes.

Material area	Risk / opportunity	Business relevance	FY26 developments / response
Workplace Health & Safety	Risk of injury or harm from battery handling, plant, equipment and workplace hazards.	Critical to safe and continuous operations across recycling and technology activities.	Continued focus on hazard identification, risk assessments, critical controls, training and emergency-response capability.
Operational Integrity / Critical Risk Management	Risk of fire, thermal events, storage or processing failures and operational disruption.	Material to site safety, business continuity, regulatory compliance and insurance.	Continued development of storage, segregation, emergency-response and operational controls, including the transition to Derrimut.
Water & Discharge Compliance	Risk of contamination from stormwater, fire water, wastewater or spills.	Relevant to environmental compliance and maintaining operating licences.	Ongoing monitoring, site procedures, environmental controls and regulatory engagement.
Circular Economy & Waste	Risk and opportunity associated with waste handling, landfill diversion and increased material recovery.	Central to Livium's recycling-led strategy and value proposition.	Continued battery recycling and development of adjacent recovery pathways including black mass, solar panels and rare-earth elements.
Sustainable Products & Markets	Risks and opportunities associated with technology scale-up, partnerships and market development.	Relevant to future commercialisation and growth opportunities.	Continued technical validation, partner engagement and staged assessment of recycling and material-recovery technologies.
Climate & Energy	Exposure to energy costs, emissions and evolving climate-reporting expectations.	Relevant to operating costs, environmental performance and future reporting requirements.	Continued monitoring of energy and emissions data and development of climate-reporting capability.

3.9 FY27 Priorities and Reporting Development

Livium enters FY27 with battery recycling remaining its primary strategic focus. Sustainability priorities are therefore expected to remain closely linked to safe operational growth, responsible material recovery, environmental compliance and disciplined development of adjacent recycling opportunities.

- Support safe growth in battery collection and recycling volumes as contracted customer activity develops.
- Leverage the Derrimut Hub to improve operating efficiency, storage and handling capability and support future capacity growth.
- Progress Hub-and-Spoke development in priority regions, including Western Australia, subject to commercial and regulatory assessment.
- Continue technical and commercial development of rare-earth element recovery, solar panel recycling and black mass processing, where supported by viable commercial pathways.
- Maintain Board and Audit & Risk Committee oversight of material operational, environmental and sustainability-related risks.

4 Remuneration report (audited)

The report outlines the remuneration arrangements in place for Directors and Key Management Personnel (KMP) of Livium Ltd in accordance with the Corporations Act 2001 and its Regulations. For the purposes of this report Key Management Personnel are defined as those having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Directors of the Group. This report forms part of the Directors' Report for the year ended 30 June 2026.

4.1 Remuneration Policy

The Board policy is to remunerate Directors, officers and employees at market rates for time, commitment and responsibilities. The Board determines payment to the Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of Directors' fees that can be paid is subject to approval by shareholders in a General Meeting, from time to time. However, to align Directors' interests with shareholders' interests, the Directors are encouraged to hold securities in the Group.

The Group's aim is to remunerate at a level that will attract and retain high-calibre Directors, officers and employees. Group officers and Directors are remunerated to a level consistent with the size of the Group.

There is no scheme to provide retirement benefits, other than statutory superannuation, to Non-Executive Directors.

All equity-based remuneration paid to Directors and executives is valued at the cost to the Group and expensed. Performance rights issued to Directors are aligned with shareholders' interests.

4.2 Performance Based Remuneration

The issue of shares, options and performance rights to Directors is in accordance with the Group's employee security incentive plan to encourage the alignment of personal and shareholder returns. The intention of this program is to align the objectives of Directors/executives with that of the business and shareholders. In addition, all Directors and executives are encouraged to hold shares in the Group.

4.3 Non-Executive Directors

Under the Constitution, the amount of remuneration of Directors is a yearly sum not exceeding the aggregate sum. Under the ASX Listing Rules, the total amount paid to all Directors for their services must not exceed in aggregate in any financial year, the amount fixed by the Group in a general meeting. This amount has been fixed by the Group at $500,000. The total amount paid to Non-Executive Directors in FY26 was $174,290 (FY25: $201,383). The aggregate sum does not include remuneration in the form of shares, options, performance rights or other equity plans approved separately by the Group in a general meeting.

4.4 Contracts of Employment

Remuneration and other terms of employment for the Managing Director are formalised in a service agreement that includes provision of performance-related bonuses and other benefits, and eligibility to participate in the Long-Term Incentive (LTI) and Short-Term Incentive (STI) plans. Other major provisions of the agreements relating to remuneration are set out below:

Mr Simon Linge, Managing Director and CEO

- Mr Linge commenced employment on 1 January 2023.
- **Fixed Remuneration:** $428,000 per annum plus superannuation capped at the maximum super contribution base (Base Salary). During the year, Mr Linge's Fixed Remuneration component was reduced by $100,000 to $328,000 per annum for a period of 12 months, from 1 September 2025 to 31 August 2026, unless otherwise agreed by both parties (**Reduced Fixed Remuneration**), in exchange for Zero Exercise Price Options (**ZEPOs**), as described below.
- **STI:** Up to 25% of Base Salary per annum payable in cash, subject to the satisfaction of short-term key performance indicators to be set by the Board at its discretion. During the year, it was agreed that Mr Linge would not participate in the STI, representing a potential forgone of $82,000 (Reduced STI), in exchange for ZEPOs, as described below.

- **LTI:** Mr Linge participates in the Group's shareholder approved Securities Incentive Plan (**Plan**). During FY25, Mr Linge was issued 36,000,000 Performance Rights, which remain subject to the following:
  - Performance Conditions required to be met by 31 December 2027; and
  - Expiry date of 31 December 2028.

  During FY26, Mr Linge was also granted 18,200,000 ZEPOs in exchange for Reduced Fixed Remuneration and Reduced STI, as described above. These ZEPOs, as approved by shareholders, are subject to the following:
  - Service and performance-based vesting conditions, with vesting assessed on 1 July 2026; and
  - Expiry date of 31 August 2029.
- **Termination Provisions:** Either party may terminate the agreement with six month's written notice. The Group may also summarily terminate the agreement without notice in certain circumstances including serious misconduct.
- **Other terms:** The employment contract includes standard terms covering confidentiality, intellectual property, and non-compete clause.
- Refer to section 4.6 for further details of Performance Rights and equity awards held by Mr Linge.

Mr Stuart Tarrant, Chief Financial Officer

- Mr Tarrant commenced employment on 1 June 2021.
- **Fixed Remuneration:** The contract provides Mr Tarrant with a salary of $305,257 per annum exclusive of superannuation.
- **STI:** Mr Tarrant is also entitled to receive a cash bonus up to 15% of his base salary per annum payable in cash, subject to the satisfaction of short-term key performance indicators to be approved by the Board at its discretion.

  Mr Tarrant was issued 100,000 shares on 1 July 2024 and a further 200,000 shares on 1 July 2025, in accordance with the terms of his employment agreement, which included the requirement that he remain employed in the twelve months preceding the respective issue dates.
- **LTI:** Mr Tarrant was issued 12,200,000 Performance Rights in FY25 pursuant to the Plan. The Performance Rights are subject to the following:
  - Performance Conditions required to be met by 31 December 2027; and
  - Expiry date of 31 December 2028.
- **Termination Provisions:** Either party may terminate the agreement with three month's written notice. The Group may also summarily terminate the agreement without notice in certain circumstances including serious misconduct.
- Refer to section 4.6 for further details of Performance Rights held by Mr Tarrant.

4.5 Details of Remuneration for Year Ended 30 June 2026

The remuneration for each director and of the executive officer of the Group during the year was as follows:

Emoluments for Directors and Executive Officers									
	Short Term Benefits				Share Based Payments				
Year	Salary & Fees	Bonus	Non-Monetary	Post Employment Superannuation	Performance Rights	Options	Equity	Total $	Equity-based remuneration as % of Total Remuneration
Simon Linge – Managing Director									
2026	344,748	-	-	30,000	98,883	139,497	-	613,128	39%
2025	426,075	69,469	-	30,000	487,196	-	-	1,012,740	48%
Phillip Campbell – Non-Executive Chairman (appointed on 1 April 2025)									
2026	65,536	-	-	7,864	-	-	-	73,400	-
2025	20,179	-	-	2,321	-	-	-	22,500	-
Kristie Young – Non-Executive Director									
2026	45,040	-	-	5,405	30,305	-	-	80,750	38%
2025	55,634	-	-	6,398	72,297	-	-	134,329	54%
Phillip Thick – Non-Executive Director									
2026	45,040	-	-	5,405	79,098	-	-	129,543	61%
2025	62,342	-	-	7,169	121,090	-	-	190,601	64%
Stuart Tarrant – Chief Financial Officer									
2026	303,537	-	1,952	30,000	30,298	-	-	365,787	8%
2025	293,271	28,667	2,100	30,000	136,562	-	-	490,600	28%
George Bauk – Non-Executive Chairman (resigned on 3 January 2025)									
2026	-	-	-	-	-	-	-	-	-
2025	42,457	-	-	4,883	-	-	-	47,340	-
Totals									
2026	**803,901**	**-**	**1,952**	**78,674**	**238,584**	**139,497**	**-**	**1,262,608**	**30%**
2025	**899,958**	**98,136**	**2,100**	**80,771**	**817,145**	**-**	**-**	**1,898,110**	**43%**

4.6 KMP Interests in Shares, Performance Rights and Options

The number of ordinary shares held directly and indirectly by each KMP of the entity during the financial year is as follows:

Ordinary Shares					
KMP	Balance 01/07/2025	Received as Compensation	Options Exercised / Performance Rights Conversion	Net Change Other	Balance 30/06/2026
S Linge	3,181,818	-	6,000,000 [2]	-	9,181,818
P Campbell	-	-	-	2,000,000	2,000,000
K Young	3,850,000	-	-	-	3,850,000
P Thick	6,565,843	-	-	-	6,565,843
S Tarrant	551,818	200,000 [1]	2,000,000 [3]	-	2,751,818
Totals	**14,149,479**	**200,000**	**8,000,000**	**2,000,000**	**24,349,479**

1 Mr S Tarrant was issued 200,000 shares on 1 July 2025.

2 Mr S Linge's 6,000,000 performance rights were converted into 6,000,000 ordinary shares on 4 August 2025 following satisfaction of Performance Hurdle 5.

3 Mr S Tarrant's 2,000,000 performance rights were converted into 2,000,000 ordinary shares on 4 August 2025 following satisfaction of Performance Hurdle 5.

The number of performance rights held by each KMP of the entity during the financial year is as follows:

Performance Rights						
KMP	**Balance 01/07/2025**	**Granted as Compensation**	**Converted to Shares**	**Lapsed/ Forfeited**	**Net Change Other**	**Balance 30/06/2026**
S Linge	42,000,000	-	(6,000,000)	-	-	36,000,000
K Young	12,250,000	-	-	-	-	12,250,000
P Thick	15,250,000	-	-	-	-	15,250,000
S Tarrant	14,200,000	-	(2,000,000)	-	-	12,200,000
Totals	**83,700,000**	**-**	**(8,000,000)**	**-**	**-**	**75,700,000**

The number of listed and unlisted options held by each KMP of the entity during the year is as follows:

Options						
KMP	**Balance 01/07/2025**	**Granted as Compensation**	**Options Exercised**	**Options Expired**	**Net Change Other**	**Balance 30/06/2026**
S Linge	-	18,200,000	-	-	-	18,200,000
K Young	-	-	-	-	-	-
P Thick	769,321	-	-	(769,321)	-	-
S Tarrant	-	-	-	-	-	-
Totals	**769,321**	**18,200,000**	**-**	**(769,321)**	**-**	**18,200,000**

4.7 Performance Rights Provided as Remuneration

During the year ended 30 June 2026, the following share-based payment arrangements were in existence with KMP:

Share-Based Payment Arrangements					
KMP Recipient	**Number Granted Remaining on issue at 30/06/2026**	**Grant Date**	**Grant Date Fair Value**	**Expiry Date**	**Fair Value $ [7]**
P Thick [1]	1,000,000	11/10/2021	$0.1107	11/10/2026	$85,206
P Thick [2]	2,000,000	11/10/2021	$0.1107	11/10/2026	$158,761
P Thick [^], [3], [4]	12,250,000	29/11/2022	$0.05	30/11/2026	$217,287
K Young [^], [3], [4]	12,250,000	29/11/2022	$0.05	30/11/2026	$217,287
S Linge [##], [5]	36,000,000	29/10/2024	$0.014	31/12/2028	301,683
S Tarrant [##], [6]	12,200,000	29/10/2024	$0.0123	31/12/2028	$90,605
Totals	**75,700,000**				**$1,070,829**

All rights expire on the earlier of their expiry date or termination of the individual's employment. In addition to a continuing employment service condition, vesting is conditional on the Group achieving certain performance hurdles.

^ These rights have a vesting period end date of 30/11/2025. These rights did not vest by the vesting period end date and will be lapsed.

These rights have a vesting period end date of 31/12/2027.

1 Performance hurdle of Group achieves a 20-day volume weighted average share price of at least $0.15.

2 Performance hurdle of Group achieves a 20-day volume weighted average share price of at least $0.20.

3 Includes four hurdles:
   i. 2,000,000 if Group achieves a 20-day volume weighted average share price of at least $0.10;
   ii. 2,500,000 if Group achieves a 20-day volume weighted average share price of at least $0.15;
   iii. 3,250,000 if Group achieves a 20-day volume weighted average share price of at least $0.20;
   iv. 4,500,000 if Group achieves a 20-day volume weighted average share price of at least $0.25.

   Grant date fair value is average of the fair value of the four hurdles.

4 Shareholder approval was received on 29 November 2023 for the performance rights granted to Directors.

5 Rights issued are subject to the following five hurdles:

i. 6,000,000 upon (a) Final Investment Decision in scaling the Envirostream battery recycling business (which may include a consolidated Victorian operation, Victorian supersite, and/ or expansion into other states or territories); or (b) the announcement of a strategic transaction in relation to Envirostream, being a transaction that gives material effect to the growth of Envirostream or a transaction in respect of Envirostream that is of material benefit to the Company, with the Board retaining discretion to refuse the performance condition from being declared as met;

ii. 6,000,000 upon (a) Final Investment Decision at VSPC during the Performance Period; or (b) the announcement of a strategic transaction in relation to VSPC, being a transaction that gives material effect to the growth of VSPC or a transaction in respect of VSPC that is of material benefit to the Company, with the Board retaining discretion to refuse the performance condition from being declared as met;

iii. 8,000,000 if Group achieves a 20-day volume weighted average share price of at least $0.042;

iv. 8,000,000 if Group achieves a 20-day volume weighted average share price of at least $0.063; and

v. 8,000,000 if Group achieves a 20-day volume weighted average share price of at least $0.084.

Grant date fair value is average of the fair value of the hurdles.

6 Rights issued are subject to the following five hurdles:

i. 2,000,000 upon (a) Final Investment Decision in scaling the Envirostream battery recycling business (which may include a consolidated Victorian operation, Victorian supersite, and/ or expansion into other states or territories); or (b) the announcement of a strategic transaction in relation to Envirostream, being a transaction that gives material effect to the growth of Envirostream or a transaction in respect of Envirostream that is of material benefit to the Company, with the Board retaining discretion to refuse the performance condition from being declared as met;

ii. 2,000,000 upon (a) Final Investment Decision at VSPC during the Performance Period; or (b) the announcement of a strategic transaction in relation to VSPC, being a transaction that gives material effect to the growth of VSPC or a transaction in respect of VSPC that is of material benefit to the Company, with the Board retaining discretion to refuse the performance condition from being declared as met;

iii. 3,400,000 if Group achieves a 20-day volume weighted average share price of at least $0.042;

iv. 3,400,000 if Group achieves a 20-day volume weighted average share price of at least $0.063; and

v. 1,400,000 if Group achieves a 20-day volume weighted average share price of at least $0.084.

Grant date fair value is average of the fair value of the hurdles.

7 The fair value of performance rights shown includes the total value of all rights originally granted, including those that have subsequently vested, lapsed, forfeited, or been cancelled.

4.8 Loans and Other Transactions

There are no loans to KMP outstanding in the current or prior year.

All other transactions with KMP and their related entities and other related parties are conducted on an arm's length basis and made on normal commercial terms and conditions.

5 Governance

5.1 Indemnification and Insurance of Directors and Officers

The Group's constitution provides that the Group indemnifies each person who is or who has been a Director, Secretary or officer of the Group on a full indemnity basis and to the full extent permitted by law, against liabilities incurred by that person in their capacity as an officer of the Group or of a related body corporate.

During the year the Group paid premiums in respect of Directors' and Officers' Liability Insurance to cover the Directors and Secretaries of the Group and its subsidiaries, the Executives and any other Officers of each of the divisions of the Group.

5.2 Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Livium support and have adhered to the principles of sound corporate governance.

The Board recognises the most recent recommendations of the Australian Securities Exchange Corporate Governance Council and considers that Livium is in compliance with those guidelines. During the financial year, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Group. The Group's corporate governance statement and disclosures can be found on our website at liviumcorp.com/esg/.

5.3 Risk Management

The Group has established a risk management policy and associated risk appetite statement which outline the expectations in relation to risk management, responsibilities, risk management objectives, risk comfort and the principles of its risk management framework.

The Board, through the Audit and Risk Committee, is responsible for overseeing the establishment and implementation of effective risk management and internal control systems to manage the Group's material business risks and for reviewing and monitoring the Group's application of those systems.

The Audit and Risk Committee continues to work closely with management to assess, monitor and review business risks and carry out assessments of internal controls and processes for improvement opportunities. In support of this, the committee receives reports from management on new and emerging risks and related controls and mitigating measures that management after implemented.

The Group is exposed to certain risks which have the potential to impact current and future delivery of strategic goals, financial returns, reputation, environmental performance and health & safety of employees and visitors. A summary of the material business risks of the Group, for which there are controls in place, is set out below.

- Health and Safety Risks: The Group is exposed to potential safety hazards within its operations, including lithium-ion battery fires.
- Commodity Risks: The Group is exposed to raw material and sales price fluctuations, linked to commodity markets.
- Regulatory and Compliance Risks: The Group is subject to regulatory requirements in areas such as environmental, licence to operate, employment, occupational health and safety, and taxation laws. The Group has a zero tolerance to non-compliance of Regulatory and Compliance Risks.
- Operational and Technical Risks: The Group is subject to exposures such as failure to achieve predicted product grades; commissioning operating and maintaining plant and equipment; industrial disputes, and unexpected shortages in the availability of skilled labour, consumables, spare parts, plant and equipment.
- Funding Risks: The Group is likely to need to raise capital to develop its technologies further. There is no guarantee that the Group will be able to secure any additional funding or will be able to secure funding on terms that are favourable or acceptable to the Group.
- Information Technology Risks: The Group's core systems and technologies could be exposed to damage or interruption from systems failures, computer viruses, cyber-attacks, power or telecommunications providers' failures, fire, natural disasters, terrorist acts, war or human error.
- Legal Risks: The Group is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims.
- Key Person and Workforce Risk: The inability to attract and retain suitably skilled and diverse leaders and workforce is a risk to Group performance in the conduct of its business.

5.4 Non-Audit Services

The Group may decide to employ the auditor (Hall Chadwick) on assignments in addition to the statutory audit function where the auditor's expertise and experience with the Group and/or the Group are important and valuable.

Non-audit services of Nil were provided to the Group in the year ended 30 June 2026 (FY25: Nil). Accordingly, no non-audit services were provided that could compromise the auditor independence requirements of the Corporations Act 2001.

5.5 Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Hall Chadwick, to provide the Directors of the Group with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out immediately following this Directors' Report and forms part of the Directors' Report for the year ended 30 June 2026.

This report is made in accordance with a resolution of the Directors.

Phillip Campbell
Non-executive Chair

Dated at Melbourne this 22nd day of September 2026

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Livium Ltd for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

D Bell

D M BELL, FCA
Director

Dated this 22nd day of September 2026
Perth, Western Australia

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	(102,901)	2,096,490
Other expenses	Note 8	(933,865)	(95,917)
Loss before income tax		(4,044,818)	(6,172,729)
Income tax benefit/(expense)	Note 9	-	1,604,928
Profit/(Loss) from continuing operations		(4,044,818)	(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		**(4,044,818)**	**(4,419,681)**
Profit/(Loss) for the year attributable to:			
Members of the controlling entity		(4,044,818)	(4,567,505)
Non-controlling interest		-	(296)
		(4,044,818)	(4,567,801)
Total comprehensive income/(loss) attributable to:			
Members of the controlling entity		(4,044,818)	(4,419,385)
Non-controlling interest		-	(296)
		(4,044,818)	**(4,419,681)**
Basic and diluted earnings/(loss) per share (cents per share)	Note 24	(0.21)	(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	5,786,636	5,879,852
Loans and borrowings	Note 18	-	5,089,504
Total current liabilities		7,989,243	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		**11,379,440**	**13,183,055**
NET ASSETS		**7,310,608**	**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		(105,333,161)	(102,227,655)
TOTAL EQUITY		**7,310,608**	**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	-	-	-	-	(4,044,818)	-	(4,044,818)
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	-	-	-	-	(4,044,818)	-	(4,044,818)
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**	**(105,333,161)**	**-**	**7,310,608**

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		(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

These consolidated financial statements and notes represent those of Livium Ltd and its controlled entities ("Livium" or the "Group"). Livium Ltd is a public listed company, incorporated and domiciled in Australia.

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The financial statements for the year ended 30 June 2026 were approved and authorised for issue by the Board of Directors on 22 September 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 $4,044,818 (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 $3,520,465 (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;
- Subsequent to year end, five claims relating to the January 2019 Envirostream fire were settled by Envirostream's insurer. Envirostream is indemnified in respect of the claims and, accordingly, settlement does not result in a cash outflow by the Group. The related $5.465 million provision recognised at 30 June 2026 has been released in FY27; 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 may 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.

N1.2.1 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.

N1.2.2 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.

N1.2.2.1 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'.

N1.2.2.2 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.

N1.2.3 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.

N1.2.4 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 derecognised 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.

N1.2.5 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.

N1.3 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.

N1.4 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.

N1.5 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.

N1.6 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).

N1.7 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.

N1.8 Intangible Assets

N1.8.1 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.

N1.8.2 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.

N1.9 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.

N1.10 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.

N1.11 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.

N1.12 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.

N1.13 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.

N1.14 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.

N1.15 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.

N1.16 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.

N1.17 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.

N1.18 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.

N1.18.1 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.

N1.18.2 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.

N1.18.3 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.

N1.18.4 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.

N1.18.5 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.

N1.18.6 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.

N1.19 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.

N1.19.1 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:

N1.19.2 Market approach

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

N1.19.3 Income approach

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

N1.19.4 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.

N1.19.5 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.

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.

N1.20 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	(4,044,818)	(6,172,729)
Prima facie tax benefit on loss from ordinary activities before income tax at 25% (2025: 25%)	(1,011,205)	(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]	8,557	(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	1,372,500	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]	(476,925)	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]	13,657,655	9,813,259
Capital losses	388,215	247,097
	14,045,870	**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 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)	5,465,000	5,362,099
Rehabilitation provision (b)	25,000	25,000
	5,786,636	**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 claims resulted in the recognition of a provision in the Group's balance sheet.

Envirostream has been indemnified by its insurer in respect of the claims and the insurer has settled certain historical claims. Accordingly, settlement of the claims does not result in a cash outflow by the Group.

During the year ended 30 June 2026, management continued to assess the outstanding claims based on legal advice and other information available. Subsequent to year end, settlements were reached in respect of five claims for an aggregate amount of $5.465 million. The Company also reassessed a separate historical matter based on updated information received directly from Envirostream's insurer and concluded that an outflow in respect of that matter is remote. Accordingly, no provision is recognised for that matter.

Based on the latest available information, including the post-balance-date settlement details and insurer confirmations, the Group reassessed the provision at 30 June 2026 to $5.465 million. The post-balance-date information was considered in determining management's best estimate of the obligations existing at the reporting date.

The six-year limitation period under the Limitation of Actions Act 1958 (Vic) has expired and management does not expect any further plaintiffs to commence proceedings in relation to the fire. As the five claims were settled after year end, the full $5.465 million provision has been released in FY27. As at the date of this financial report, the fire-related provision is nil.

(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 exercise of options (b)	2,000,000	22,000	20,500	1,228
Issue of shares on exercise 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 and conversion of the securities by holders.

(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**	**3,995,840**
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**
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	(4,044,818)	(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	(4,044,818)	(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	(95,236)	(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	**(1,459,110)**	**(1,206,837)**	**(163,032)**	**7,387**	**(2,821,592)**
Depreciation & amortisation expense	(350,427)	(90,892)	(720)	(728,680)	(1,170,719)
EBIT	**(1,809,537)**	**(1,297,729)**	**(163,752)**	**(721,293)**	**(3,992,311)**
Net finance expense				(52,507)	(52,507)
Reportable segment profit/(loss) before income tax	**(1,809,537)**	**(1,297,729)**	**(163,752)**	**(773,800)**	**(4,044,818)**
Income tax benefit/(expense)	-	-	-	-	-
Reportable segment profit/(loss) after income tax	**(1,809,537)**	**(1,297,729)**	**(163,752)**	**(773,800)**	**(4,044,818)**
Total segment assets	9,357,447	809,434	5,429,850	3,093,317	**18,690,048**
Segment liabilities	10,445,491	254,867	-	679,082	**11,379,440**
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)	-	(353,637)	(880,445)
EBIT	**2,350,132**	**(1,307,962)**	**48,325**	**(6,641,176)**	**(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**	**(7,263,224)**	**(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**	**(7,263,224)**	**(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 two equal capital reductions, 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 and Contingent Assets

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.

Contingent Assets

At 30 June 2026, the Group had a contingent asset in respect of potential insurance recoveries relating to claims arising from the January 2019 Envirostream fire. Subsequent to year end, settlements were reached in respect of five claims for an aggregate amount of $5.465 million. The related insurance recovery became virtually certain subsequent to year end and will be recognised in the period in which that occurred. Refer to Notes 17 and 35.

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 remuneration has been included in the Remuneration Report section of the Directors' Report.

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	399,197	738,119
Options amortisation	234,839	80,113
Cancellation of performance rights (accelerated vesting)	71,500	857,187
Options lapsed	(11,597)	-
Performance rights lapsed	(157,106)	-
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 $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 $0.008 per share and 83,333,333 options exercisable at $0.012 and expiring on 3 August 2030.
- On 28 August 2026, the Company released its unaudited Appendix 4E and Preliminary Final Report for the year ended 30 June 2026.
- On 3 September 2026, the Company issued 11,718,750 fully paid ordinary shares to Lind Global Fund III LP, being Tranche Shares pursuant to the funding arrangements announced on 30 July 2026.
- On 10 September 2026, the Group announced a general update of activities for the first few months of FY27.
- On 14 September 2026, the Company issued 287,733 fully paid ordinary shares upon the exercise of options.
- On 16 September 2026, the Company announced the successful completion of its Share Purchase Plan, receiving valid applications totalling $794,280 for 96,863,527 new fully paid ordinary shares. The shares were issued on 18 September 2026.
- On 18 September 2026, the Group announced an update in relation to the legal proceedings arising from the January 2019 Envirostream fire. Five claims have been settled and the remaining fire-related provision has been reduced to nil. The settlement information has been considered in the reassessment of the provision recognised at 30 June 2026. Refer to Note 17.

Directors' Declaration

The Directors of Livium Limited declare that:

1) In the Directors' opinion:

   a) the financial statements and notes are in accordance with the Corporations Act 2001, including:

      i) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

      ii) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date;

   b) the consolidated entity disclosure statement is true and correct as at 30 June 2026; and

   c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

2) The financial statements and notes comply with International Financial Reporting Standards as disclosed in Note 1.

This declaration is made in accordance with a resolution of the Directors pursuant to section 295(5) of the Corporations Act 2001.

Phillip Campbell
Non-executive Chair

Dated at Melbourne this 22nd day of September 2026

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LIVIUM LIMITED.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Livium Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

   (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.1.1 in the financial report which indicates that the Consolidated Entity incurred a net loss of $4,044,818 during the year ended 30 June 2026. As stated in Note 1.1.1, these events or conditions, along with other matters as set forth in Note 1.1.1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity 's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Accounting for the formation of the LieNA joint venture As disclosed in Notes 4 and 27, on 8 August 2025 the Consolidated Entity lost control of LieNA Pty Ltd following the issue of 4,500,001 ordinary shares to Mineral Resources Limited, resulting in LieNA becoming a 50:50 joint venture. The Consolidated Entity recognised its retained 50% interest at a fair value of $5,153,124 and recognised a gain on formation of the joint venture of $2,889,491. This was considered to be a key audit matter due to the significance and non-routine nature of the transaction, together with the judgement involved in assessing the loss of control, classification of the joint arrangement and the fair value of the retained interest.	Our procedures included but were not limited to: • Reviewing the relevant convertible note, conversion notice and joint venture agreement to understand the transaction and the rights and obligations of the parties; • Assessing management's conclusion that control of LieNA Pty Ltd was lost and that the arrangement met the definition of a joint venture under the applicable Australian Accounting Standards; • Evaluating the accounting for the deconsolidation of LieNA Pty Ltd, including derecognition of its assets and liabilities and recognition of the retained 50% interest; • Assessing the basis and key assumptions used in determining the fair value of the retained interest and recalculating the resulting gain on formation of the joint venture; • Testing the subsequent equity accounting for the Consolidated Entity's share of LieNA Pty Ltd's results and distributions received; and • Assessing the adequacy of the disclosures in the financial report.
Intangible Assets As disclosed in Note 13, the Consolidated Entity had an intangible assets balance of $1,553,398 at balance date. Intangible assets are considered to be a key audit matter due to the size of the balance having a pervasive impact on the financial statements and the judgement requirement in assessing for impairment.	Our procedures included but were not limited to: • Assessing the recognition criteria for development costs; • Evaluating the key assumptions used for estimates made in capitalising development costs related to the development of the various lithium extraction technologies and the generation of probable future economic benefits; • Evaluating management's impairment assessment and determination of the relevant cash generating units, as well as assessing the assumptions and inputs used in determining the recoverable

Key Audit Matter	How our audit addressed the Key Audit Matter
	amount; and • Assessing the adequacy of the disclosures in the financial report.
Provisions arising from Envirostream Remediation As disclosed in Note 17, the Consolidated Entity has recognised a provision of $5,465,000 in relation to claims arising from the Envirostream fire that occurred in January 2019. The assessment of potential liabilities associated with these matters requires significant judgement. The ultimate outcome remained subject to legal processes and settlement outcomes that cannot be predicted with certainty. This area was considered to be a key audit matter due to the material provision balance and the judgement involved in assessing the expected outflow of resources and measurement of the provision.	Our procedures included but were not limed to: • Discussing ongoing legal and regulatory matters with management and the Board. • Reviewing management's assessment of the legal claims made against Envirostream and relevant supporting documentation in order to develop our understanding of the matters. • Reviewing external legal advice to assess the assumptions with respect to the measurement of the relevant provision; • Assessing the probability or possibility that settlement of the obligations would result in an outflow of resources and the ability to measure the costs reliably in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*; • Reviewing subsequent events which confirmed that settlements had been reached; • Assessing the adequacy of the disclosures in the financial report.
Revenue Recognition During the year ended 30 June 2026, the Consolidated Entity generated revenue of $6,129,366. Revenue recognition has been included as a key audit matter due to its financial significance.	Our procedures included but were not limited to: • Analysing agreements to identify the key terms and conditions of sales; • Assessed revenue recognition in accordance with *AASB 15 Revenue from Contracts with Customers* to ensure revenue was recognised in the correct accounting period; • Performing substantive audit procedures on a sample basis by verifying revenue to relevant supporting documentation and assessing whether the revenue was recognised at the appropriate time and classified correctly • Performing cut-off procedures over revenue transactions recorded around year end; and • Assessing the adequacy of the disclosures in the financial report

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the remuneration report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

D Bell

D M BELL, FCA
Director

Dated this 22nd day of September 2026
Perth, Western Australia

Additional ASX Information

6 Additional ASX Information

6.1 Corporate governance statement

The Group's Corporate Governance Statement can be found at https://liviumcorp.com/our-company/

6.2 Substantial shareholders

There are no substantial holders as at 2 September 2026.

6.3 Issued capital

The issued capital of the Group as at 2 September 2026 consists of:

Issued Capital			
Quoted / Unquoted	Class	Number of units	Number of holders
Quoted	Fully Paid Ordinary Shares (LIT)	2,164,367,119	10,593
Quoted	$0.020 Options (LITOC)	892,000,001	268
Unquoted	$0.031 Options	39,000,000	1
Unquoted	$0.012 Options	83,333,333	1
Unquoted	$0.000 Options	26,012,476	6
Unquoted	Performance Rights	102,900,000	9

6.4 Voting rights

6.4.1 Ordinary Shares

In accordance with the Group's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

6.5 Holders holding less than a marketable parcel

The number of holders holding less than a marketable parcel of the entity's main class of securities as at 2 September 2026 are as follows:

Holders holding less than a marketable parcel	
Number of holders	**Number of units**
7,305	191,632,024

6.6 Distribution of shareholders

The distribution of holders of fully paid ordinary shares as at 2 September 2026 are as follows:

Issued Capital			
Distribution of equity securities	**Number of holders**	**Number of Units**	**% of Total Issued Capital**
0-1,000	115	21,056	0.00%
1,001 - 5,000	564	2,168,554	0.10%
5,001 – 10,000	822	6,748,201	0.31%
10,001 - 100,000	6,745	268,576,084	12.41%
100,001 and over	2,347	1,886,853,224	87.18%
TOTALS	**10,593**	**2,164,367,119**	**100.00%**

6.7 20 Largest shareholders

The names of the 20 largest holders of ordinary shares as at 2 September 2026 are as follows:

20 Largest Holders of Ordinary Shares			
Rank	Name	Units	% of Units
1	BNP PARIBAS NOMINEES PTY LTD	176,928,461	8.17%
2	LIND GLOBALFUND III LP	91,400,000	4.22%
3	WHALE WATCH HOLDINGS LIMITED	74,966,993	3.46%
4	10 BOLIVIANOS PTY LTD	67,432,616	3.12%
5	MR KENNETH JOSEPH HALL <HALL PARK A/C>	30,500,000	1.41%
6	MR PETER ELLGAR	29,600,000	1.37%
7	CITICORP NOMINEES PTY LIMITED	26,410,749	1.22%
8	MR ADRIAN CHRISTOPHER GRIFFIN	22,498,820	1.04%
9	MR QINGHAI PENG	18,919,274	0.87%
10	DR KEVIN SOUTAR	17,144,232	0.79%
11	HSBC CUSTODY NOMINEES	15,896,488	0.73%
12	MR YOUNG KIL KIM <KIMS INVESTMENT FAMILY A/C>	14,300,000	0.66%
13	FINCLEAR SERVICES PTY LTD	13,321,862	0.62%
14	MR MD MASUDUR RAHMAN	11,604,000	0.54%
15	MR MD MONIRUL ISLAM	11,000,000	0.51%
16	MR MOHAMMAD SHAMIM	10,446,349	0.48%
17	MR POH SENG TAN	10,000,000	0.46%
17	MR JOHN MIHALJEVIC	10,000,000	0.46%
18	SHARESIES AUSTRALIA NOMINEE PTY LIMITED	9,229,404	0.43%
19	MR SIMON ANDREW LINGE	9,181,818	0.42%
20	HENDERSON VALUATIONS	9,109,835	0.42%
	Total: Top 20 holders of LIT ORDINARY FULLY PAID	**679,890,901**	**31.41%**
	Total: LIT ORDINARY FULLY PAID	**2,164,367,119**	**100.00%**

The names of the 20 largest holders of quoted options (LITOC) as at 2 September 2026 are as follows:

20 Largest Holders of Quoted Options (LITOC)			
Rank	Name	Units	% of Units
1	10 BOLIVIANOS PTY LTD	64,490,000	7.23%
2	ON-RAMP PTY LTD	55,000,000	6.17%
3	WHALE WATCH HOLDINGS LIMITED	47,182,222	5.29%
4	BERNE NO 132 NOMINEES PTY LTD <791994 A/C>	28,000,000	3.14%
5	MR ANTANAS GUOGA	27,432,458	3.08%
6	ABN AMRO CLEARING AUSTRALIA NOMINEES PTY LTD <CUSTODIAN A/C>	26,203,704	2.94%
7	TDM CAPITAL PTY LTD <TDM CAPITAL A/C>	25,000,000	2.80%
8	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	24,000,000	2.69%
9	TRINITY DIRECT PTY LTD	20,814,815	2.33%
10	MR NICHOLAS KUZIS	20,000,000	2.24%
11	CERTANE CT PTY LTD <BC1>	18,333,333	2.06%
12	NEAVE TRADING PTY LTD	16,499,982	1.85%
13	MS CHUNYAN NIU	16,000,000	1.79%
14	MR BOYUN LIU	13,500,000	1.51%
15	YUCAJA PTY LTD <THE YOEGIAR FAMILY A/C>	13,111,111	1.47%

20 Largest Holders of Quoted Options (LITOC)			
Rank	**Name**	**Units**	**% of Units**
16	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	11,111,111	1.25%
17	MR MOHAN SINGH NANDHA	10,000,000	1.12%
17	MRS ANJANA NANDHA	10,000,000	1.12%
17	MR LEMUEL CHERLOABA	10,000,000	1.12%
18	GREEN MOUNTAINS INVESTMENTS LTD	8,755,556	0.98%
19	PIGEQUITY PTY LTD	8,000,000	0.90%
19	AZZURRA INVESTMENTS PTY LTD	8,000,000	0.90%
20	UNIVERSE TIME PTY LTD	7,703,704	0.86%
20	IRWIN BIOTECH NOMINEES PTY LTD <BIOA A/C>	7,703,704	0.86%
	Totals: Top 20 holders of Quoted Options LITOC	**496,841,700**	**55.70%**
	Total: Quoted Options LITOC	**892,000,001**	**100.00%**

6.8 Joint Company secretary

The Joint Company Secretary is Ms Catherine Grant-Edwards and Ms Melissa Chapman.

6.9 Registered office and principle administrative office

Address: 15 Marwen Drive, Derrimut, VIC 3026

6.10 Register of securities

Register of securities is kept at:

Automic Group on 1300 429 179 (domestic calls) or +61 2 7208 4522 (international calls) or by email at corporate.actions@automicgroup.com.au

6.11 Other stock exchanges

The Group's securities are not quoted on any other recognisable stock exchange.

6.12 Restricted securities or securities subject to voluntary escrow

There are no restricted securities and no securities subject to voluntary escrow.

6.13 Unquoted securities

In accordance with Listing Rule 4.10.16, holders of 20% of more of the equity securities in an unquoted class requiring disclosure at 2 September 2026.

Holder / Class	**Options $0.031 Expiry 24/07/2028**		**Options $0.012 Expiry 03/08/2030**	
	No.	**%**	**No.**	**%**
Lind Global Fund II LP	39,000,000	100.00%	-	-
Lind Global Fund III LP	-	-	83,333,333	100.00%
Total	**39,000,000**	**100.00%**	**83,333,333**	**100.00%**

6.14 Review of operations

A review of operations and activities for the reporting period that complies with Sections 299 and 299A are outlined in the Directors' report.

6.15 On market buy backs

There is no current on market buy backs of Livium shares.