ASX ANNOUNCEMENT

18 December 2024

Livium provides update on Battery Materials (VSPC) development strategy

HIGHLIGHTS

- **Following an internal assessment, Australia has been selected as the preferred location for a demonstration plant related to the commercialisation of VSPC's LFP and LMFP products**
- **Operation of the demonstration plant is an essential step in the commercialisation pathway, before the establishment of full-scale production facilities**
- **Strong progress has been made to fund the demonstration plant construction and operation from government and private strategic partners, who will invest directly into VSPC**
- **To assist commercialisation readiness, new cathode material products have been added to the VSPC suite and are under assessment with potential customers**

Livium Ltd (ASX: LIT) ("**Livium**" or the "**Company**") is pleased to provide an update on the development strategy for its Battery Materials division, VSPC, as it progresses towards commercialisation. Following a detailed assessment of development pathways, the Company has selected Australia as its preferred location for establishing a demonstration plant following internal risk assessments and customer engagement. Two key factors of the assessment related to the expected availability of Australian government funding coupled with the requirement to build a larger offshore plant, which introduces higher risks.

The proposed development pathway includes the construction of a demonstration plant capable of continuous operation to produce both lithium ferro phosphate ("**LFP**"), and the emerging lithium manganese ferro phosphate ("**LMFP**"). The small scale demonstration plant is capital efficient and allows sample sizes in line with customer's product qualification requirements, which will facilitate the securing of binding offtake for VSPC products. With binding offtake expected from this development, the demonstration plant serves as a critical stepping stone toward the establishment of a full-scale production facility with an expected capacity of 25,000 tpa of LFP or LMFP. A 25,000 tpa production facility has the potential to generate annual revenues of ~US$319m, assuming an LFP price of ~US$12.75/kg[1].

The Company has continued to evolve its VSPC product suite and has recently added new offerings in line with market demand and with the potential for reduced production costs. The demonstration plant will have capability to produce these new product offerings without significant change to the prior designs.

Livium's preferred funding pathway seeks to eliminate reliance on shareholder contributions, whilst maximising value creation for stakeholders. To achieve this the Company is pursuing non-dilutive government funding combined with private strategic partners, who will invest directly into VSPC. Progress has been made to fund the development and operation of the demonstration plant. Further updates will be provided as matters progress.

Comment from Livium CEO and Managing Director, Simon Linge

"Our focus on an Australian-based demonstration plant reflects our commitment to advancing VSPC's technology in a sustainable and scalable manner. This approach allows us to align our development with the growing global demand for LFP battery materials, which is underpinned by deployment of energy storage and electric vehicle adoption.

By combining public funding initiatives with strategic private partnerships, we are seeking to advance VSPC whilst minimising equity contributions from Livium shareholders."

The Company continues to advance its commercial strategy, targeting the high-growth LFP battery materials market. Discussions with potential off-take partners are progressing, with strong interest from battery

[1] Avenira Limited (ASX; AEV) Announcement (Scoping Study, 2 March 2023), Ave. LFP Basket

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manufacturers and cell producers globally. Livium's advanced technology is well positioned to capitalise on the increasing demand for LFP cathodes, driven by the shift toward affordable, sustainable battery chemistries for electric vehicles and renewable energy storage.

Authorised for release by the CEO and Managing Director.

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Forward-looking statements

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

About Livium

Livium (previously Lithium Australia) is aiming to lead and enable the global transition to sustainable lithium production. The Company operates Australia's market leading battery recycler, produces critical battery material lithium ferro phosphate (LFP), and has developed a patented lithium extraction technology. Livium's revenue-generating recycling business and technologies are well-placed to capitalise on growing global lithium-ion battery demand and provides diversification benefits to global supply chains.

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