

Quarterly Activities Report September 2025

Highlights

- Binding agreement signed with Colt Recycling in the US to evaluate recovery of rare earth elements from e-waste
 - Binding agreement signed with Livium to access domestic feedstock to evaluate recoveries from batteries, solar panels and magnets
 - New CSIRO-backed project underway to upgrade recovered graphite into anode-grade material, targeting ~25% uplift in revenue
 - Awarded non-dilutive government funding covering 50% of development costs for the battery recycling pilot plant, up to a maximum grant amount of \$3.9 million
 - Pilot plant construction commences – long-lead items ordered, with commissioning expected to start by the end of 2025
 - Participation in European benchmarking study with RWTH Aachen and Fraunhofer, comparing DES technology against global recycling leaders
 - Subsequent to the Quarter, Iondrive announced its participation in a €3.1 million funded European battery recycling consortium led by PEM RWTH Aachen University
 - \$7.2 million cash and other available funding at 30 September 2025 including cash inflows expected in next quarter from the Industry Growth Program and the F25 R&D tax incentive
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Iondrive Limited (ASX: ION) (“Iondrive” or “the Company”) is pleased to present its report for the quarter ended 30th September 2025 (the “Quarter”).

Review of Operations

Iondrive made strong progress this Quarter in advancing the commercialisation of its proprietary Deep Eutectic Solvent (DES) technology across multiple high-value markets, with developments spanning North America, Australia, and Europe. These initiatives continue to strengthen the Company's pathway toward commercial operations.

Pilot Plant Development

Iondrive continued to advance its pilot plant project commencing the EPCM phase with Wave International. The project is on schedule with long-lead items ordered and construction underway. Commissioning is scheduled to begin in phases from December 2025, with full operation in early 2026.

The pilot facility represents the first continuous, integrated demonstration of londrive's DES process under commercial conditions. It will focus initially on black mass recycling but is also designed to be modified to process other urban mining feedstocks, including e-waste and solar panel waste. The plant will provide valuable operating data to support techno-economic studies, an important precursor to any future expansion to a commercial scale facility.

Expansion into the US e-waste Market

In September, londrive signed a binding agreement with Colt Recycling LLC, one of the largest and most advanced e-waste recyclers in North America. Colt processes approximately 40 million pounds of electronic waste annually and represents a significant gateway into the North American circular economy.

Under the agreement, Colt will supply mixed e-waste feedstock for evaluation using londrive's DES process, with a focus on the recovery of rare earth elements (REEs) — a critical gap in existing recycling technologies. Globally, e-waste is a US\$91 billion resource, yet only 22% is formally recycled, and recovery of REEs from circuit boards remains negligible. By working with Colt, londrive aims to demonstrate that its DES process can selectively extract gold, copper, palladium and REEs at scale, providing a pathway to commercial deployment in the US.

The first phase of engineering has been completed, outlining the initial external technical work programs in North America. Techno-economic modelling by ProProcess Modular has also been finalised, and together with Model Answer, is being used to prepare detailed economic scenarios to inform the next phase of engineering work.

Partnership with Livium to Drive Domestic Battery, Solar and Magnet Recycling

In September londrive executed a binding agreement with Livium Limited (ASX: LIT), one of Australia's leading lithium-ion battery recyclers.

Under the agreement, Livium will supply londrive with end-of-life solar panels, lithium-ion black mass, and rare earth magnets for processing. This collaboration provides londrive with access to real-world feedstocks and a pathway to potential co-location of DES processing units at Livium facilities.

The partnership reflects the growing importance of domestic processing of critical minerals. Australia is projected to generate more than 1.16 million tonnes per annum of solar panel waste by 2035, with silver and silicon representing over AUD 1 billion in recoverable value.

londrive's DES process has already demonstrated >95% recovery of metals from black mass and is being evaluated for application to solar panel and magnet recycling. This collaboration provides the potential for a direct scale-up pathway across battery, solar, and e-waste markets in Australia.

CSIRO backed graphite project

During the Quarter, londrive commenced a new CSIRO-backed R&D project to upgrade recovered graphite from spent lithium-ion batteries into battery-grade anode material.

Graphite comprises up to 50% of the weight of a lithium-ion battery yet is typically destroyed in conventional recycling processes.

By integrating graphite recovery into its DES platform, londrive aims to add a new revenue stream, with the potential to deliver an estimated 25% uplift in revenues at commercial scale. The project is scheduled for completion by November 2025 and, if successful, will provide londrive with exclusive global rights to the resulting IP on a royalty-free basis.

¹ <https://www.energycouncil.com.au/analysis/australia-s-solar-waste-a-growing-problem>

Graphite has come under greater focus recently, particularly because China—which is the world's largest producer and exporter of graphite—has introduced tighter export controls on certain graphite products to manage supply and safeguard domestic interests.

These measures underscore the vulnerability of relying heavily on graphite imports and create more room for alternative sources, especially recycling.

Independent Validation in Europe

Iondrive announced its participation in a major European benchmarking study led by RWTH Aachen University and Fraunhofer FFB.

The Life Cycle Assessment (LCA) and Life Cycle Costing (LCC) study will compare environmental and cost performance across battery recycling technologies, including leading players such as Umicore, Primobius, Fortum, and Porsche Consulting.

This initiative provides independent validation of Iondrive's DES process against traditional hydrometallurgical and pyrometallurgical methods, and enhances credibility with regulators, customers and potential partners. The first session was held in July, with follow-up workshops planned later this year, and a final report expected before the end of CY2025.

Corporate

Non-dilutive Grant Funding

Iondrive strengthened its funding position during the Quarter with the award of a grant under the Australian Government's Industry Growth Program. This grant covers 50% of construction and operating expenditure for the Company's DES battery recycling pilot plant, up to a maximum grant amount of \$3.9 million. Importantly for cashflow management, Grant instalments are scheduled to be received quarterly in advance. The grant award reflects strong government support for domestic processing of critical minerals.

Subsequent to the Quarter, Iondrive announced its participation, as a core technology partner, in a €3.1 million funded European battery recycling consortium led by PEM RWTH Aachen University. Consortium funding comprises a €2.1 million grant from the Government of North Rhine-Westphalia (NRW), together with €1.0 million committed by consortium participants (including €0.3 million from Iondrive). This arrangement provides Iondrive with substantial non-dilutive funding, covering 60% of operating its DES battery recycling pilot plant in Europe up to a maximum grant amount of €0.4 million, in addition to access to black mass feedstock and validation and other services at no cost.

The Company is targeting a number of other grant applications in Europe and the United States of America consistent with government policies associated with access to critical minerals, renewable energy, recycling and environmentally sustainable processes.

Quarterly Cashflows

For the Quarter, the Company reported total net cash outflows of \$1.8 million, represented by:

- net cash outflows from Operating and Investing activities of \$1.9 million, which included outflows of \$1.4 million associated with research & development activities (costs directly associated with progressing the Company's DES technology). Over half of this \$1.4 million related to completion of the front-end engineering design of the pilot plant; and
- cash inflows from Financing activities of \$0.1 million, largely from the proceeds of the options exercised by a Director, Mr Adam Slater.

These cashflow movements in the Quarter resulted in a reported consolidated cash balance of \$4.0 million at 30 September 2025. This is expected to be further supplemented by cash inflows of \$3.2 million in the coming quarter ended December 2025, comprising the F26 R&D Tax Incentive claim and the first instalments due under the Industry Growth Program (relating to expenditure incurred in the Quarter and budgeted for the coming quarter ended December 2025).

Cash flows for the Quarter include related party payments of \$79,000, comprising Non-Executive Directors fees.

South Korea Exploration

The cashflow report for the Quarter includes a further \$60,000 received for non-refundable exclusivity fees related to the potential sale of its South Korean exploration business. Iondrive has been moving further away from its exploration roots over the past 12 months, and the sale of the business would reduce the underlying cost base of the business by approximately \$600,000 per annum.

Approved for release by the Board of Iondrive Limited.

Further Information

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About Iondrive

Iondrive is developing an innovative metal extraction process using Deep Eutectic Solvent technology (DES). Its initial business case is focussed on battery recycling where the proprietary method is designed to efficiently recover critical metals, including nickel, cobalt, lithium, and manganese, from black mass in a closed-loop, environmentally friendly process. Unlike conventional hydrometallurgical and pyrometallurgical approaches, Iondrive's DES technology operates at lower temperatures, eliminates the need for aggressive acids, and offers a tuneable chemistry that can selectively extract individual metals. Whilst progressing the battery recycling application for its DES technology, Iondrive is actively seeking to expand the commercialisation opportunities into other markets, including mineral processing and Urban mining of e-waste.

Appendix 4C

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

Name of entity

IONDRIVE LIMITED

ABN

30 107 424 519

Quarter ended ("current quarter")

30 SEPTEMBER 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development (battery technologies)	(1,362)	(1,362)
(b) product manufacturing and operating costs		
(c) exploration & evaluation	(30)	(30)
(d) leased assets		
(e) staff costs	(245)	(245)
(f) administration and corporate costs	(426)	(426)
1.3 Dividends received (see note 3)		
1.4 Interest received	51	51
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid		
1.7 Government grants and tax incentives	42	42
1.8 Other (short term lease payments)	(9)	(9)
1.9 Net cash from / (used in) operating activities	(1,979)	(1,979)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(f) other non-current assets		
2.2 Proceeds from disposal of:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets (tenements)		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (exclusivity fees)	60	60
2.6 Net cash from / (used in) investing activities	60	60

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options	75	75
3.4 Transaction costs related to issues of equity securities or convertible debt securities		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (repayment of lease liability)		
3.10 Net cash from / (used in) financing activities	75	75

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	5,868	5,868
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,979)	(1,979)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	60	60

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	75	75
4.5	Effect of movement in exchange rates on cash held	(5)	(5)
4.6	Cash and cash equivalents at end of period	4,019	4,019

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	315	5,061
5.2	Call deposits	3,704	806
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,019	7,049

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	79
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,979)
8.2 Cash and cash equivalents at quarter end (item 4.6)	4,019
8.3 Unused finance facilities available at quarter end (item 7.5)	
8.4 Total available funding (item 8.2 + item 8.3)	2.0
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2025.....

Authorised by: The Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.