# Quarterly Activities Report

For the period ended 31 December 2025 29 January 2026

## Liontown well-positioned as underground transition completes, costs decline and lithium market improves

**The December Quarter marked a key operational and financial inflection point for Liontown, with the successful transition to fully underground operations, delivering lower unit costs and cashflow-neutral operating activities, while remaining on track to meet FY26 guidance.**

### Highlights:

**Financial Performance**

- Revenue up 91% quarter-on-quarter (QoQ) to A$130 million from six parcels sold totalling 112,122 dmt
- Unit operating costs[1] reduced 17% QoQ to A$910/dmt (FOB); AISC[2] improved 22% to A$1,059/dmt (FOB)
- Operating cash flow neutral, materially improved from prior period
- A$390 million cash at quarter-end with 13,800 dmt saleable inventory on hand

**Production Growth**

- Concentrate production increased 21% QoQ to 105,342 dmt at an average grade of 5.1% $Li_2O$[3]
- Underground ore mined up 37% QoQ to 308 kt

**Strategic Milestones**

- Kathleen's Corner Open Pit completed on schedule in December, exceeding production targets; Kathleen Valley now a 100% underground operation
- Underground ramp-up on track: targeting 1.5 Mtpa by end Q3 FY26 and 2.8 Mtpa steady-state by end FY27
- Inaugural spodumene auction closed at US$1,254/dmt SC6, validating price discovery mechanism
- New binding offtake executed with Canmax for 150,000 wmt per annum in CY2027 and CY2028

**Market Positioning**

- Realised price of US$900/dmt sold[4] reflects contractual pricing set prior to Q4 CY25 price rally
- Inaugural spot market auction in November closed at US$1,254 / dmt SC6 for a January cargo, demonstrating strong buyer demand

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[1] Unit operating cost (FOB excluding sea freight and royalties) includes mining, processing, transport, port charges, and site based general and administration costs and is net of any tantalite by-product credits. It is calculated on an incurred basis and includes inventory movements and credits for capitalised mine costs. Depreciation of fixed assets, depreciation of right of use leases, and amortisation of capitalised mine costs are excluded from unit operating costs and the inventory movement

[2] AISC includes unit operating costs (FOB), royalties, lease payments, and sustaining capital

[3] Based on accredited site laboratory assays managed by SGS Australia Pty Ltd

[4] SC6 equivalent basis



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## Overview

Liontown Limited (**ASX: LTR**) (**Liontown** or **the Company**) delivered a major operational and financial transition during the December Quarter, completing mining at the Kathleen's Corner open pit and positioning the Kathleen Valley Lithium Operation (**Kathleen Valley**) as a fully underground mining operation. The quarter marked an inflection point for the business, with unit operating costs and AISC reducing quarter-on-quarter and operating cashflow broadly breakeven during the transition, while remaining on track to meet FY26 guidance.

Underground mining continued to ramp up in line with plan, with strong development and production performance, and good reconciliation to both the resource and grade models. The annualised underground run-rate of 1 Mtpa was achieved on schedule, with the operation now targeting 1.5 Mtpa by the end of Q3 FY26 and 2.8 Mtpa by the end of FY27, which represents currently planned steady state production.

Processing performance remained consistent with expectations during this transition phase, as the plant batch processed open pit, ore-sorting-potential (**OSP**)[5] and an increasing volume of underground ore. Lithia recoveries improved during the quarter and are expected to continue to increase as higher-grade underground ore becomes the dominant feed source.

Strong commercial performance supported improved operating leverage, with higher sales volumes contributing to reduced unit costs compared with the prior quarter. Liontown also successfully completed its inaugural spot market auction and executed a new offtake agreement with Canmax Technologies Co., Ltd., further strengthening sales flexibility and customer diversification.

The Company closed the quarter with a strong liquidity position, with A$390 million of cash and 13,800 dmt of saleable concentrate on hand, supporting the continued execution of its underground ramp-up strategy. Further improvement is anticipated as underground production and recoveries increase in line with the ramp-up plan through the March and June quarters.

[5] OSP: Ore Sorting Product – stockpiles containing contact ore and / or dilution 5 - 40%



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**Table 1: Summary – Operational and Financial Metrics:**

| Production and Sales | Units | Q2 FY26 | Q1 FY26 | Δ (%) | YTD FY26 |
|---|---|---|---|---|---|
| Concentrate production | dmt | 105,342 | 87,172 | 21% | 192,514 |
| Concentrate sales | dmt | 112,122 | 77,474 | 45% | 189,596 |
| Average $Li_2O$ grade shipped | % | 5.1 | 5.0 | 2% | 5.1 |
| Concentrate inventories | dmt | 13,800 | 20,912 | (34%) | 13,800 |
| Average realised price[6] | US$ / dmt SC6e[7] | 900 | 700 | 29% | 815 |
| Tantalite concentrate production | dmt | 300 | 291 | 3% | 591 |
| **Financial Metrics** | **Units** | **Q2 FY26** | **Q1 FY26** | **Δ (%)** | **YTD FY26** |
| Revenue | A$M | 130 | 68 | 91% | 198 |
| Cash | A$M | 390 | 420 | (7%) | 390 |
| **Cost Metrics** | **Units** | **Q2 FY26** | **Q1 FY26** | **Δ (%)** | **YTD FY26** |
| Unit Operating Costs (FOB) | A$ / dmt sold | 910 | 1,093 | (17%) | 985 |
| | US$ / dmt sold[8] | 597 | 715 | (16%) | 646 |
| All In Sustaining Cost (FOB) | A$ / dmt sold | 1,059 | 1,354 | (22%) | 1,179 |
| | US$ / dmt sold[8] | 695 | 886 | (22%) | 773 |

**Liontown's Managing Director and CEO, Tony Ottaviano, said:**

*"The December Quarter represented a major operational and financial inflection point for Liontown, with open pit mining completed on schedule and the operation now 100% underground.*

*Underground ore production increased by 37% during the quarter, supported by strong development progress and improving operational leverage, resulting in cashflow-neutral operations.*

*Our US$900 / dmt realised price for the quarter, on an SC6 equivalent basis, reflects the timing of offtake pricing, which was largely set prior to the strong rally in spodumene prices late in the quarter. Pricing strength has continued into 2026, with market conditions now the most favourable experienced since the commencement of production.*

*With underground production continuing to scale, costs trending lower and higher pricing expected to flow through in coming quarters, Liontown is well positioned to deliver a strong financial performance in the second half of FY26."*

[6] Average realised sales price for the Quarter includes provisionally priced sales which were marked to market as at 31 December 2025. Actual realised prices will be adjusted based on prevailing prices at the end of the relevant quotation period
[7] SC6 equivalent basis
[8] Based on an average USD / AUD exchange rate of 0.6564 for the December Quarter



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# 1. Sustainability

## 1.1. Health and Safety

Safety remains a core operational focus for Liontown. The Company recorded a rolling 12-month Total Recordable Injury Frequency Rate (TRIFR) of 11.55 at quarter end (September 2025: 9.15) and a Lost Time Injury Frequency Rate (LTIFR) of 1.00 (September 2025: 1.02), reflecting a higher number of manual handling related injuries across contractor work groups as underground activity ramped up. Targeted actions have been implemented to strengthen field leadership, contractor oversight and injury prevention as underground operations scale.

Leading indicators continued to trend positively, with safety observations per 1,000 hours worked increasing to 3.01 (September 2025: 2.63), reflecting sustained workforce engagement in proactive hazard identification and risk management.

During the quarter, the Company participated in National Safe Work Month, delivering targeted awareness initiatives across both site and Perth operations. Liontown also supported the RFDS Oceans to Outback Challenge, achieving first place in the national fundraising leaderboard, with strong employee participation and positive outcomes for regional health services.

As underground operations continue to scale, the Company remains focused on preventing high-consequence incidents through strong field leadership, structured training programs and systematic auditing, supporting a resilient safety culture.

## 1.2. Environment, Heritage and Community

Environmental performance remained strong throughout the December Quarter, coinciding with the completion of mining activities in the Kathleen's Corner open pit as the operation continues its transition toward a predominantly underground mining profile.

All regulatory monitoring was completed in line with approvals, with no material environmental incidents reported.

The Kathleen Valley Hybrid Power Station continued to perform reliably, delivering approximately 85% renewable power during the quarter and reinforcing Kathleen Valley's position as a low-carbon-intensity lithium operation.

Community and Heritage teams maintained active engagement with Traditional Owners and local stakeholders throughout the quarter, including Christmas appeal and school engagement activities. During the quarter, the Company supported the completion of its first apprenticeship by a Tjiwarl community member at the Kathleen Valley Lithium Operation, reflecting Liontown's commitment to meaningful local employment, skills development and long-term community partnerships.



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## 2. Production

**Table 2: Physicals**

| Mining | Units | Q2 FY26 | Q1 FY26 | Δ (%) | YTD FY26 |
|---|---|---|---|---|---|
| Open pit ore mined | kt | 625 | 292 | 114% | 917 |
| Open pit waste mined | kt | 985 | 2,097 | (53%) | 3,082 |
| Strip ratio (BCM) | waste : ore | 1.4 | 6.2 | (77%) | 3.0 |
| Average $Li_2O$ grade mined (open pit) | % | 1.1 | 1.3 | (15%) | 1.2 |
| Underground mining development metres | m | 2,142 | 1,824 | 17% | 3,966 |
| Underground ore mined | kt | 308 | 225 | 37% | 533 |
| Average $Li_2O$ grade mined (underground) | % | 1.4 | 1.4 | - | 1.4 |
| **Processing** | **Units** | **Q2 FY26** | **Q1 FY26** | **Δ (%)** | **YTD FY26** |
| Ore processed | kdmt | 642 | 580 | 11% | 1,222 |
| Lithia feed grade (weighted average) | % | 1.3 | 1.3 | - | 1.3 |
| Plant availability | % | 92 | 92 | - | 92 |
| Lithia recovery | % | 63 | 59 | 7% | 61 |
| **Stock inventory** | **Units** | **Q2 FY26** | **Q1 FY26** | **Δ (%)** | **YTD FY26** |
| ROM stockpile | kt | 860 | 720 | 19% | 860 |
| Concentrate inventory | kt | 14 | 21 | (34%) | 14 |

### 2.1. Mining

*Open Pit Mining*

Mining at the Kathleen's Corner open pit was successfully completed on schedule in December 2025, exceeding production targets for the quarter and marking the full transition of Kathleen Valley to a 100% underground mining operation. This enables increased operational focus on underground development and production.

Total material moved for the quarter was 1,610 kt, including 625 kt of ore mined at an average grade of 1.1% $Li_2O$, consistent with planned end-of-pit sequencing. Open pit production over the final two quarters delivered additional clean ore and OSP material into strategic stockpiles.

Over its life, the open pit played a critical role in establishing the Kathleen Valley operation. Waste rock supported construction of key infrastructure, including the ROM pad and tailings storage facility, while ore production enabled early commissioning and ramp-up of the processing plant, accelerating validation of the flowsheet and operating envelope.

The resulting stockpiles enhance feed flexibility and support continuity of mill throughput during the ongoing ramp-up of underground operations, with feed sequencing to be progressively optimised as higher-grade underground ore becomes the dominant source of plant feed.

Completion of open pit mining allows development and production effort to be increasingly weighted toward underground ore, supporting improved operating leverage as the operation scales in line with plan.

**Table 3: Open Pit Physicals (LOM)**

| Open Pit Physicals | Units | LOM (to Dec 2025) |
|---|---|---|
| Mining period | | ~ 3 years |
| Total material moved | mt | 37.9 |
| Total ore mined (clean & OSP) | mt | 4.2 |
| Total waste mined | mt | 33.7 |
| LOM strip ratio (calculated on tonnes) | waste : ore | 8.0 |
| Average $Li_2O$ grade mined | % | 1.12% |
| Final relative level (RL) | mtrs | 370 |
| Final pit completion | | December 2025 |

Figure 1: Aerial view of the Kathleen's Corner open pit final blast

_Underground Mining_

Underground operations continued to scale during the quarter, with development and production progressing in line with plan and all major infrastructure systems performing reliably. The annualised underground run-rate of 1 Mtpa was achieved on schedule, with the ramp-up on track to support a production rate of 1.5 Mtpa by the end of Q3 FY26 and 2.8 Mtpa by the end of FY27.

Total underground development for the quarter was 2,142 metres, opening additional work fronts across multiple levels. Production drilling performance remained strong, with metres drilled increasing 34% QoQ.

Underground ore mined totalled 308 kt for the Quarter, a 37% increase on the prior quarter, at an average grade of approximately 1.4% $Li_2O$. Mining performance continued to reconcile well with the resource and grade models, confirming the consistency of the Mt Mann orebody during the ramp-up phase.

Underground haulage and production capacity were incrementally strengthened during the quarter, including the mobilisation of an additional haul truck, supporting improved material movement and operational flexibility as mining rates increase. Further equipment additions are planned in line with the broader ramp-up schedule.

Underground performance during the ramp-up phase continues to validate key technical and operating assumptions. Stope performance and dilution outcomes remain in line with expectations, with paste-fill performance supporting predictable stope turnover and mining cycles. Development, ventilation, power and materials-handling infrastructure are operating ahead of near-term production requirements, reducing execution risk as mining rates increase.

Australia's largest paste-fill plant, designed to support a 4Mtpa underground operation, continued to perform to design parameters, with multiple stopes successfully paste-filled during the quarter. Primary ventilation, dewatering, power reticulation and materials-handling systems all operated reliably and without constraint, providing confidence that the underground operation is tracking toward steady-state production in line with guidance.

Figure 2: Twin Boom Jumbo entering Mount Mann

Figure 3: Long hole drill rig drilling

### 2.2. Processing

The process plant continued to perform in line with expectations during the December Quarter, as operations progressed through the planned transition in mill feed composition. Average plant availability was 92%, reflecting stable and reliable plant performance throughout the period.

Mill feed for the quarter comprised 45% underground ore and 55% open pit ore, reflecting the planned transition sequencing as underground production ramps up.



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A total of 642 kt of ore was processed at an average feed grade of 1.3% $Li_2O$, producing 105,342 dmt of spodumene concentrate at an average grade of 5.1% $Li_2O$.

Lithia recovery continued its upward trend through the quarter, increasing 4% (in absolute terms) to an average of 63%. The improvement reflects deliberate feed sequencing decisions during the transition period and ongoing optimisation across the processing circuit, with recoveries expected to continue to increase as higher-grade underground ore becomes the dominant feed source.

The recovery target to deliver ~70% by the end of Q3 FY26 remains unchanged.

Tantalite production for the quarter totalled 300 dmt, consistent with prior periods.

Figure 4: ROM Stockpiles

Figure 5: Aerial view of processing plant

### 2.3. Sales and Marketing

Liontown generated A$130 million in revenue during the December Quarter from sales of 112,122 dmt of spodumene concentrate across six parcels at an average grade of 5.1% $Li_2O$. The average realised price (CIF) on an SC6 basis was US$900 / dmt (A$1,365 / dmt) for the quarter, reflecting the contractual pricing applying earlier in the Quarter, prior to the strong rally in spodumene prices late in the period. Concentrate inventory at quarter end was 13,800 dmt, with the reduction from the prior quarter reflecting strong sales execution and customer demand.

A key highlight was the successful completion of Liontown's inaugural spot market auction in November, conducted via Metalshub. The auction closed at US$1,254 / dmt SC6 for a January cargo, demonstrating strong buyer demand and validating auctions as an effective price discovery mechanism. Following this result, the Company intends to continue utilising auctions as part of a balanced and flexible sales strategy through CY2026.

Amendments to the Ford debt facility and offtake arrangements, completed in October, materially strengthened near-term liquidity and enhanced strategic flexibility. These amendments included a 12-month deferral of principal and interest repayments (first payment now due 30 September 2026) and a reduction in committed offtake volumes to nil in CY2027 and CY2028, enabling greater exposure to spot pricing and new customer opportunities.

In December, the Company executed a binding offtake agreement with Canmax Technologies Co., Ltd., a leading global lithium chemicals producer, for the supply of 150,000 wet metric tonnes per annum of spodumene concentrate in each of CY2027 and CY2028. Pricing is determined using a formula referencing spodumene concentrate indices. The agreement utilises capacity created through the Ford amendments and further diversifies Liontown's customer base across geography and the battery value chain.

The Company's sales strategy continues to balance long-term offtake relationships with opportunistic spot market exposure, supporting value maximisation across market cycles.



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### 2.4. Unit Operating Costs

Unit operating costs for the Quarter were A$910 / dmt sold (FOB), a 17% improvement on the prior Quarter. The improvement was generated from a reduction in the cost of open pit mining activities due to a low strip ratio in the final ore zone, improved recoveries from a greater proportion of underground ore processed, and dilution of fixed costs across higher concentrate production.

Unit operating costs are expected to continue trending lower as the operation transitions to 100% underground mill feed, recoveries improve, and economies of scale are realised as the operation progresses toward steady-state production.

AISC for the Quarter were A$1,059 / dmt sold (FOB), a 22% improvement on the prior Quarter, driven by lower unit operating costs and reduced sustaining capital following the completion of the open pit. Higher tonnes produced during the Quarter further supported cost absorption.

AISC is expected to trend lower in line with guidance as underground production continues to scale.

## 3. Exploration

No substantive mining exploration work was undertaken during the quarter. Regional exploration programs scheduled to recommence in line with strategic priorities.

## 4. Corporate

### 4.1. Cash Position

The Company closed the December Quarter with a strong liquidity position, comprising of a A$390 million cash balance and 13,800 dmt of saleable concentrate on hand.

Operating cash flow for the Quarter was effectively neutral at $(0.4) million, representing a material improvement on the prior quarter. Cash flow performance improved due to higher cash receipts from customers reflecting increased sales volumes and higher realised prices, together with interest received, which largely offset production and corporate costs during the Quarter.

Production cash costs increased because of the higher production output, with total open pit costs decreasing and underground mining costs increasing in line with the ramp up.

Investing cash outflows totalled A$24 million, primarily comprising of growth capital associated with underground development as the operation continues to ramp-up.

Financing cash outflows of A$5 million were recorded during the Quarter, primarily related to lease repayments, largely associated with the hybrid power station operated by Zenith.

Operational cash generation is expected to strengthen in coming quarters, supported by increasing underground production and improving recoveries.

### 4.2 Kathleen Valley Expansion

The Company has commenced work to refresh its 4Mtpa expansion case originally presented in the DFS[9] . The study is expected to demonstrate a low-capital, high-return expansion pathway, with reduced unit costs at Kathleen Valley as a result of increased scale.

[9] Refer to "Kathleen Valley DFS confirms Tier-1 global lithium project with outstanding economics and sector-leading sustainability credentials" dated 11 November 2021



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The study will consider progressive capacity uplifts through plant debottlenecking and accessing embedded mine option tonnes in Mount Mann and North West Flats. Early assessment has focused on alternative access to the North West Flats ore body, including potential use of the completed open pit, which may offer capital and sequencing advantages relative to earlier concepts.

With key approvals and a majority of the supporting infrastructure already in place, the study also considers execution pathways that enable accelerated delivery once approved.

The refreshed study is intended to inform a potential Final Investment Decision by the Board, subject to sustained improvement in market conditions.

The Company believes it is well positioned to respond decisively to a sustained market improvement and accelerate production growth.

### 4.3 Business Optimisation

Phase 2 of the business optimisation program delivered strong results during the half, exceeding targets across both operational and corporate initiatives. Operational and corporate-led initiatives delivered financial benefits, improving balance sheet resilience and strategic flexibility.

With the completion of Phase 2, the optimisation framework and cost discipline developed through the program have now been embedded into normal business operations across operations, processing, procurement and capital management. The next phase of improvement initiatives will be progressed as part of business-as-usual operational management rather than as a standalone optimisation program.

### 4.4 Annual General Meeting

The Company held its Annual General Meeting for shareholders on 26 November 2025, where key updates on business performance and strategic initiatives were presented, followed by a Q&A session with shareholders.

### 4.5 Accounting Treatment of Derivatives

The Company's USD denominated convertible notes issued to LG Energy Solution contains embedded derivative components that are required to be recognised separately from the host debt instrument in accordance with Australian Accounting Standards. This derivative component is measured at fair value at each reporting date, with movements in fair value recognised in the Profit and Loss Statement.

Movements in the fair value of the derivative component are primarily driven by movements in Liontown's share price and share price volatility, changes in the conversion price, capitalisation of interest, reduction in time towards maturity and other market-based valuation inputs. These fair value movements do not involve cash settlement.

The significant appreciation of Liontown's share price to $1.575 at 31 December 2025 ($0.70 at 30 June 2025) and the reduction in the conversion price from $1.80 / option to $1.62 / option following the capital raising in August 2025, were the primary drivers of an increase in the fair value of the derivative liability.

Accordingly, the Company expects to recognise a non-cash derivative fair value adjustment of approximately A$105 million in the Profit and Loss Statement for FY2026 H1.

The higher fair value at 31 December 2025 represents the higher probability and average payoff of the share price being above the conversion price. The higher probability was caused by the change in valuation assumptions described above.

The Company received a conversion notice from LG Energy Solution on 28 January 2026 electing to convert its entire convertible note holding into fully paid ordinary shares in the Company. As such, the Company will not incur a cash outlay in relation to the convertible notes and the fair value of the derivative component will be adjusted to the final option value upon conversion.



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### 4.6 Tenement Schedules and Expenditure

In accordance with ASX Listing Rule 5.3, refer to Appendix 4 for a listing of tenements. During the Quarter, the Company spent A$21.7 million[10] on development activities associated with Kathleen Valley, A$0.3 million on exploration and evaluation activities and A$9.8 million on administration costs.

Payments reported in Appendix 5B, Section 6.1 and 6.2, relate to Directors' salaries and fees and consulting fees paid to Director related parties.

## 5. Quarterly Investor, Analyst and Media Webcast

Access the Quarterly investor, analysts and media webcast today at 10:00 am (AWST) / 1:00 pm (AEDT):

LTR December 2025 Results Call

This announcement has been approved for release by the Board of Directors.

### Further Information

| Investors | Media |
| --- | --- |
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**About Liontown**

Liontown (ASX:LTR) is a responsible battery minerals provider. With our tier-one credentials, world-class assets and strategic partners, our mission is to power a sustainable future by ensuring a reliable supply of essential minerals. We currently control two major lithium deposits in Western Australia and aim to expand our portfolio through exploration, partnerships and acquisitions. In addition, we look to participate in downstream value-adding where control of the deposit provides a strong competitive advantage. To learn more, please visit: www.liontown.com.

[10] Estimated cash split based on incurred expenditure for the quarter



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**Important Information**

This Report contains forward-looking statements which are identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, 'guides', ‘expects’, 'anticipates', 'indicates' or ‘intends’ and variations of these words other similar words that involve risks and uncertainties. Forward looking statements in this Report include, but are not limited to, financial and operating parameters including mined grade, underground mine rates, recoveries, unit operating costs, sustaining capital, mine development capital and growth capital. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Report, are considered reasonable.

Key assumptions on which the Company's forward-looking statements are based include, without limitation, assumptions involved in the estimation of the Kathleen Valley Ore Reserve as well as, in particular, assumptions regarding the mining method and schedule (including the transition to underground mining in FY26), targeted throughput volumes and grade, recoveries, operating and capital costs. Forward-looking statements may be further based on internal estimates and budgets existing at the time of assessment which may change over time, impacting the accuracy of those statements. These estimates have been developed in the context of an uncertain operating environment resulting from, among other things, inflationary macroeconomic conditions, general market forces applying to the price of the Company's targeted commodity and the risks and uncertainties associated with mining and project development, including in particular, the commissioning and ramp up of the Kathleen Valley Project which may delay or impact the production and sales estimates set out in this Report.

Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management. This Report is not exhaustive of all factors which may impact the forward-looking statements. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Report will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Report, except where required by law or the ASX listing rules.

All references to dollars ($) and cents in this announcement are to Australian dollars, unless otherwise stated.





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# Appendix 1

**Table 3: Physicals Quarterly Historical Summary**

| Mining | Units | Q1 FY26 | Q2 FY26 | YTD FY26 |
|---|---|---|---|---|
| Open pit ore mined | kt | 292 | 625 | 917 |
| Open pit waste mined | kt | 2,097 | 985 | 3,082 |
| Strip ratio (BCM) | waste : ore | 6.2 | 1.4 | 3.0 |
| Average $Li_2O$ grade mined (open pit) | % | 1.3 | 1.1 | 1.2 |
| Underground mining development metres | m | 1,824 | 2,142 | 3,966 |
| Underground ore mined | kt | 225 | 308 | 533 |
| Average $Li_2O$ grade mined (underground) | % | 1.4 | 1.4 | 1.4 |
| **Processing** | **Units** | **Q1 FY26** | **Q2 FY26** | **YTD FY26** |
| Ore processed | kdmt | 580 | 642 | 1,222 |
| Lithia feed grade (Quarter average) | % | 1.3 | 1.3 | 1.3 |
| Plant availability | % | 92 | 92 | 92 |
| Lithia recovery | % | 59 | 63 | 61 |
| **Stock Inventory** | **Units** | **Q1 FY26** | **Q2 FY26** | **YTD FY26** |
| ROM stockpile | kt | 720 | 860 | 860 |
| Concentrate inventory | kt | 21 | 14 | 14 |

**Table 4: Production and Sales Quarterly Historical Summary**

| Production and Sales | Units | Q1 FY26 | Q2 FY26 | YTD FY26 |
|---|---|---|---|---|
| Concentrate production | dmt | 87,172 | 105,342 | 192,514 |
| Concentrate sales | dmt | 77,474 | 112,122 | 189,596 |
| Average $Li_2O$ grade shipped | % | 5.0 | 5.1 | 5.1 |
| Realised price | US$ / dmt SC6e | 700 | 900 | 815 |
| Tantalite concentrate production | dmt | 291 | 300 | 591 |



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# Appendix 2

**Kathleen Valley Lithium Operations - Overview**

The Kathleen Valley Lithium Operation (**Kathleen Valley**) is located in Western Australia, approximately 680 km north-east of Perth and 350 km north-north-west of Kalgoorlie, within the Eastern Goldfields of the Archaean Yilgarn Craton (Figure I). With a world-class Mineral Resource Estimate of **150Mt @ 1.33% $Li_2O$ and 130 ppm $Ta_2O_5$,** Kathleen Valley achieved first production in July 2024.


*Figure I: Kathleen Valley Lithium Operation – Location and Geology Map*



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# Appendix 3

**Competent Person Statement**

The Information in this Report that relates to Mineral Resources for the Kathleen Valley Lithium Operation is extracted from the ASX announcement "Kathleen Valley Mineral Resource and Ore Reserve Update" released on 25 September 2025 which is available on www.liontown.com.

***Kathleen Valley Mineral Resource at 30 June 2025***

| Classification | Million tonnes | $Li_2O$ % | $Ta_2O_5$ ppm |
|---|---|---|---|
| Open Pit (cut-off grade = 0.4% $Li_2O$) | | | |
| Measured | 1.0 | 1.34 | 170 |
| Indicated | 0.1 | 0.74 | 150 |
| Inferred | 0.0 | 1.07 | 130 |
| *Sub-total* | *1.1* | *1.31* | *170* |
| Underground (cut-off grade = 0.6% $Li_2O$) | | | |
| Measured | 15 | 1.33 | 140 |
| Indicated | 106 | 1.36 | 130 |
| Inferred | 26 | 1.24 | 120 |
| *Sub-total* | *147* | *1.30* | *130* |
| *In-situ Total* | *149* | *1.34* | *130* |
| Stockpiles | 1 | 0.92 | 150 |
| **Total*** | **150** | **1.33** | **130** |

The information in this Report that relates to production targets for the Kathleen Valley Lithium Operation were first reported on 11 November 2024 in the ASX Announcement "Kathleen Valley update and H2 FY25 guidance" and are underpinned by the Company's existing Ore Reserves that have been prepared by a Competent Person in accordance with the JORC Code (2012 Edition).

The Company confirms that it is not aware of any other new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.



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# Appendix 4

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter.

### 1. Listing of tenements held in Australia (directly or beneficially):

| Country | Project | Tenement No. | Registered Holder | Nature of interests |
|---|---|---|---|---|
| Australia | Kathleen Valley | M36/264 | LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Limited). | 100% - nickel claw back rights retained by other party |
| | | M36/265 | | |
| | | M36/459 | | |
| | | M36/460 | | |
| | | E36/879 | LRL (Aust) Pty Ltd | 100% |
| | | E36/1094 | | |
| | | G36/52 | | |
| | | L36/55 | | |
| | | L36/106 | | |
| | | L36/236 | | |
| | | L36/237 | | |
| | | L36/248 | | |
| | | L36/250 | | |
| | | L36/251 | | |
| | | L36/255 | | |
| | | L36/256 | | |
| | | L36/265 | | |
| | | L36/267 | | |
| | | L36/268 | | |
| | | L36/270 | | |
| | | L36/271 | | |
| | | L36/272 | | |
| | | L36/273 | | |
| | | L36/274 | | |
| | | L36/275 | | |
| | | L36/276 | | |
| | | L36/278 | | |
| | | L36/279 | | |
| | | L36/280 | | |
| | | L36/282 | | |
| | | L36/291 | | |
| | | L36/293 | | |
| | | L36/299 | | |
| | | L36/308 | | |
| | | L53/272 | | |
| | | L53/273 | | |
| | | L53/279 | | |



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| Country | Project | Tenement No. | Registered Holder | Nature of interests |
|---|---|---|---|---|
| | | L53/282 | | |
| | | L53/285 | | |
| | | L53/288 | | |
| | | L53/289 | | |
| | | L53/290 | | |
| | | L53/309 | | |
| | | M36/696 | | |
| | | E36/1041 | LRL (Aust) Pty Ltd | 0% - pending application |
| | | L36/264 | | |
| | | L36/292 | | |
| | | L36/294 | | |
| | | L36/295 | | |
| | | L36/296 | | |
| | | L36/297 | | |
| | | L36/298 | | |
| | | L36/305 | | |
| | | L36/306 | | |
| | | L36/307 | | |
| | | L36/309 | | |
| | | L36/310 | | |
| | | L36/311 | | |
| | | L36/312 | | |
| | | L36/313 | | |
| | | L53/274 | | |
| | Buldania | E63/856 | Avoca Resources Pty Ltd | 100% of rights to lithium and related metals secured by Lithium Rights Agreement |
| | | M63/647 | | |
| | | P63/1977 | | |
| | | M63/676 | | 0% - pending application |
| | | E63/1660 | Buldania Lithium Pty Ltd | 100% |
| | | E63/2369 | | |
| | | E63/2267 | LRL (Aust) Pty Ltd | 0% - pending application |
| | | E63/2268 | | |
| | Musson Soak | E30/594 | LRL (Aust) Pty Ltd | 0% - pending application |
| | Jasper Hills | E57/1482 | LRL (Aust) Pty Ltd | 0% - pending application |
| | | E57/1483 | | |
| | | E57/1484 | | |
| | | E57/1485 | | |

### 2. Listing of tenements acquired (directly or beneficially) during the Quarter:

Nil



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### 3. Tenements disposed, relinquished, reduced or lapsed (directly or beneficially) during the Quarter:

| Country | Project | Tenement No. | Registered Holder | Nature of interests |
|---|---|---|---|---|
| Australia | Kathleen Valley | E53/2349 | LRL (Aust) Pty Ltd | 0% - pending application |

### 4. Listing of tenements applied for (directly or beneficially) during the Quarter:

| Country | Project | Tenement No. | Registered Holder | Nature of interests |
|---|---|---|---|---|
| Australia | Musson Soak<br><br>(alternatively, location is Sandstone) | E30/594 | LRL (Aust) Pty Ltd | 0% - pending application |
| Australia | Jasper Hills<br><br>(alternatively, location is Kunanalling) | E57/1482 | LRL (Aust) Pty Ltd | 0% - pending application |
| Australia | Jasper Hills | E57/1483 | LRL (Aust) Pty Ltd | 0% - pending application |
| Australia | Jasper Hills | E57/1484 | LRL (Aust) Pty Ltd | 0% - pending application |
| Australia | Jasper Hills | E57/1485 | LRL (Aust) Pty Ltd | 0% - pending application |



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# Appendix 5B

# Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

| |
|---|
| Liontown Ltd |

| ABN | Quarter ended ("current quarter") |
|---|---|
| 39 118 153 825 | 31/12/2025 |



| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (6 months) $A'000 |
|---|---|---|---|
| **1.** | **Cash flows from operating activities** | | |
| 1.1 | Receipts from customers | 128,035 | 176,439 |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (332) | (564) |
| | (b) development | - | - |
| | (c) production[1] | (121,952) | (214,193) |
| | (d) staff costs | (4,000) | (11,682) |
| | (e) administration and corporate costs[2] | (5,610) | (8,753) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 4,083 | 6,045 |
| 1.5 | Interest and other costs of finance paid | (458) | (1,378) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | - | - |
| 1.8 | Other (Business Development) [3] | (204) | (544) |
| **1.9** | **Net cash from / (used in) operating activities** | **(438)** | **(54,630)** |

*1. Includes production related staff costs.*
*2. Includes GST arising from investing and financing activities in accordance with UIG 1031.*
*3. Relates to business development costs including due diligence and financing activities.*

| | | | |
|---|---|---|---|
| **2.** | **Cash flows from investing activities** | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) Entities | - | - |
| | (b) Tenements | - | - |
| | (c) property, plant and equipment[4] | (24,071) | (67,960) |
| | (d) exploration & evaluation | - | - |
| | (e) investments | - | - |
| | (f) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (6 months) $A'000 |
|---|---|---|---|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) [5] | - | 5,000 |
| **2.6** | **Net cash from / (used in) investing activities** | **(24,071)** | **(62,960)** |

*4. Includes costs associated with the development and commissioning of the Kathleen Valley Lithium Operation.*
*5. Proceeds of $5 million represents the return of cash security related to the Export Finance Australia (EFA) demand guarantee facility.*

| | | | |
|---|---|---|---|
| **3.** | **Cash flows from financing activities** | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | 371,504 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | (8,820) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings[6] | (4,920) | (10,171) |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| **3.10** | **Net cash from / (used in) financing activities** | **(4,920)** | **352,513** |

*6. Repayments related to lease liabilities and hire-purchase agreements.*

| | | | |
|---|---|---|---|
| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
| 4.1 | Cash and cash equivalents at beginning of period | 419,927 | 155,575 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (438) | (54,630) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (24,071) | (62,960) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (4,920) | 352,513 |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| **4.6** | **Cash and cash equivalents at end of period** | **390,498** | **390,498** |

| 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 | 389,867 | 419,301 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) [7] | 631 | 625 |
| **5.5** | **Cash and cash equivalents at end of quarter (should equal item 4.6 above)** | **390,498** | **419,927** |

7. *Retention funds held in trust under the Building and Construction Industry (Security of Payment) Act 2021.*

| 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 | 646 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

*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.*

| 7. | **Financing facilities**<br>*Note: the term "facility' includes all forms of financing arrangements available to the entity.*<br>*Add notes as necessary for an understanding of the sources of finance available to the entity.* | **Total facility amount at quarter end $A'000** | **Amount drawn at quarter end $A'000** |
|---|---|---|---|
| 7.1 | Loan facilities[8] | 688,525 | 688,525 |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | **Total financing facilities** | 688,525 | 688,525 |

| | | |
|---|---|---|
| 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.

On 29 June 2022 Liontown executed a Funding Facility with a Ford subsidiary (see ASX announcement "Liontown executes Binding Offtake Agreement with Ford" on 29 June 2022). The senior-secured debt facility of A$300 million has an interest rate of BBSW + 1.5% and a maturity date of 5 years from supply commencement date[9]. The facility has security over the Kathleen Valley Lithium Operation assets and shares in the borrower (a wholly owned subsidiary of Liontown Limited). On 9 October 2025 Liontown announced that it had executed amendments to the debt facility agreement which defers the commencement of principal and interest repayments to 30 September 2026.

On 2 July 2024, the Company announced to the market (see ASX announcement "Strategic partnership to deliver long-term funding" dated 2 July 2024) that it has secured a five-year US$250 million Convertible Note with LG Energy Solution Ltd with a conversion price of $1.80 per share (subsequently amended to $1.62 per share), and an interest rate equal to the Secured Overnight Financing Rate (SOFR), paid semi-annually up to the maturity date (or earlier if redeemed or converted).

On 7 May 2025, the Company executed a Deed of Loan with the State Government for an interest free loan of A$15 million (see ASX announcement "Lithium Industry Support Program" on 7 May 2025). The Company will be required to repay the loan through regular quarterly payments over two years following the end of the interest-free period, which will cease after average lithium spodumene prices have exceeded US$1,100 per tonne for two successive quarters, or by 30 June 2026, whichever occurs earlier.

8. *Balance excludes capitalised interest of $46.0 million for Ford facility and $25.7 million for the convertible notes issued to LG Energy Solution, Ltd.*
9. *Supply commencement date being the date that Commercial Production (as defined in the associated offtake agreement) has commenced.*

| 8. | **Estimated cash available for future operating activities** | **$A'000** |
|---|---|---|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (438) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (438) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 390,498 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 390,498 |
| 8.7 | **Estimated quarters of funding available (item 8.6 divided by item 8.3)** | 891 |

*Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.*

| | |
|---|---|
| 8.8 | If item 8.7 is less than 2 quarters, please provide answers to the following questions: |
| | 8.8.1 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: Not applicable |
| | 8.8.2 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: Not applicable |
| | 8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? |
| | Answer: Not applicable |
| | *Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.* |

## 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 January 2026...................................................

Authorised by: ....By the board.........................................................
(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 6: Exploration for and Evaluation of Mineral Resources* and *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 standards apply 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.