# Livium Targets Data Centre Battery Recycling Opportunity as AI Infrastructure Investment Accelerates

## Highlights

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- **Australia is emerging as a global hub for AI and data centres[1], with the build-out expected to create a growing battery recycling stream as large-format backup battery systems reach end of life**
- **The global addressable market for data centre battery recycling, US$1.2 billion in 2025, is forecast to more than double to US$2.5 billion by 2034[2]**
- **Livium has commenced engagement across the Australian data centre ecosystem, including operators and developers to assess how Envirostream can support future battery recycling requirements**
- **Data centre operators rely on UPS backup battery systems, historically lead-acid and increasingly lithium-ion, creating a long-term recycling opportunity that Envirostream can service through its existing platform**
- **Envirostream's EPA-licensed battery processing capability, national collection network and established chain-of-custody processes position it to support data centre operators and IT Asset Disposition partners**
- **Envirostream's commercial model is aligned to the data centre battery waste stream, combining customer fees for certified disposal with downstream recovery of critical minerals from lithium-ion batteries**
- **Tightening e-waste regulation is expected to increase demand for auditable, onshore battery recycling solutions, while Livium's rare earth element extraction licence provides medium-term alignment with future data centre hardware decommissioning**

**Livium Ltd (ASX: LIT) ("Livium" or the "Company")** is pleased to announce it has expanded its growth strategy to target the emerging battery recycling opportunity created by Australia's accelerating data centre build-out.

Australia is emerging as a global hub for AI and data centres, which rely on backup battery systems to provide uninterrupted power. Data centre operators and IT Asset Disposition (**ITAD**) partners will require auditable, onshore recycling pathways for end-of-life battery systems, driven by battery replacement cycles and tightening regulations.

Livium has commenced engagement with Australian data centre operators and developers to assess how Envirostream's existing recycling platform can support future battery retirement and recycling requirements, including certified disposal, chain-of-custody, liability transfer and responsible onshore recycling.

While there is no guarantee that this engagement will result in commercial volumes or customer agreements, Livium believes the alignment between Envirostream's existing capabilities and the needs of data centre operators is clear.

**Livium CEO and Managing Director, Simon Linge commented** "*AI data centres are becoming a major new pillar of digital and energy infrastructure, and every facility depends on large-format backup batteries.*

*Livium has commenced early engagement across the Australian data centre ecosystem to understand how Envirostream can support operators and ITAD partners as battery replacement cycles mature.*

*As those batteries reach end of life, operators will need responsible, auditable and onshore recycling pathways. Envirostream is already built for this requirement, with EPA-licensed processing facilities, national collection infrastructure and established chain-of-custody processes.*

*This is a natural extension of Livium's strategy to apply its recycling and critical minerals recovery capability to high-growth clean energy and technology waste streams.*"

[1] BDO — Australia's emergence as a global data centre destination
[2] MarketIntelo — Onsite Battery Recycling Services for Data Centers Market Research Report 2034

## Strategic alignment with data centre operators

Data centre operators are increasingly focused on managing infrastructure across its full lifecycle, including the safe retirement, transport, disposal and recycling of large-format backup battery systems. As facilities scale and replacement cycles mature, operators and their ITAD partners are expected to require auditable, compliant battery recycling pathways.

Envirostream's operating platform is strongly aligned with these requirements through its EPA-licensed battery processing facilities, national collection infrastructure and established chain-of-custody processes, providing a regulated onshore pathway for end-of-life battery management.

This capability is particularly relevant as operators transition from legacy lead-acid UPS systems toward lithium-ion backup battery systems. While the timing and scale of future volumes will depend on customer engagement, battery replacement cycles and broader data centre development, Livium believes Envirostream is well positioned to support this emerging waste stream using its existing infrastructure.

Livium's rare earth element extraction technology provides additional medium-term alignment with future data centre hardware decommissioning, as AI servers, electronics and associated infrastructure reach end of life.

## The scale of Australia's data centre build-out

Australia is building digital infrastructure at a pace its electricity grid was not designed to handle. In FY25, data centres consumed an estimated 3.9 TWh of electricity - approximately 2% of total grid-supplied consumption. The Australian Energy Market Operator forecasts that figure to grow at 25% annually, reaching 12 TWh by 2030 and 34.5 TWh by 2050[3].

Artificial intelligence and digitisation are driving this growth. In 2024, Australia ranked second globally - after the United States - as the most attractive destination for data centre investment, with 44 data centres in the NSW development pipeline alone, totalling 11.4 GW of planned capacity[4].

Major hyperscalers are committing capital at scale, including Amazon's announced USD 13 billion investment in Australian data centre capacity through 2029[5]. Microsoft, Google, and other hyperscale operators are building in parallel. Each facility relies on backup battery systems, creating a direct link between data centre growth and recycling requirements.

## The battery waste opportunity

Every data centre relies on large-format backup batteries. Historically, the standard was lead-acid UPS systems, which typically carry a 3-5 year replacement cycle, with operators increasingly adopting lithium-ion for its higher energy density and lower total cost of ownership.

According to MarketIntelo, the global market for battery recycling services in data centres, including collection, dismantling, recycling and refurbishment of UPS and backup battery systems, was estimated at approximately USD$1.2 billion in 2025 and is forecast to grow to approximately US$2.5 billion by 2034, at a compound annual growth rate of approximately 9.8%[6]. Growth is driven by rapid hyperscale data centre expansion (driven by AI and cloud workloads), battery replacement cycles (current estimates are between 5–12 years), tightening regulations mandating material recovery and circular economy incentives as recovered materials including lithium, cobalt and nickel carry significant commercial value.

Lithium-ion represents a more valuable recycling stream for the Company, with greater recoverable critical minerals per unit than legacy lead-acid systems. Envirostream is Australia's leading onshore EPA-licensed processor of batteries, with national collection infrastructure and established chain-of-custody processes already operating at scale.

Envirostream's commercial model generates revenue from two sources on a single waste stream: customer fees for certified disposal and liability transfer, and downstream recovery of materials from lithium-ion batteries.

[3] AEMO / Oxford Economics — data centre energy consumption forecast
[4] Climate Council
[5] Energy Storage News
[6] MarketIntelo — Onsite Battery Recycling Services for Data Centers Market Research Report 2034

This extends the structure applied to Envirostream's existing large-format battery customers into a new and growing segment. Where data centre operators manage battery retirement through e-waste or ITAD intermediaries, Livium intends to work with those partners to support responsible disposal pathways.

## Regulatory tailwinds

In March 2026, the Australian Government released its Expectations of Data Centres and AI Infrastructure Developers, setting out requirements around energy transition contribution, water security, and national interest. The policy direction indicates increasing scrutiny over the full lifecycle of data centre infrastructure.[7]

Envirostream has established chain-of-custody processes, EPA-licensed facilities and a national expansion plan supported by government grants, positioning it as an audit-ready partner for operators seeking to minimise regulatory and reputational exposure from improper disposal.

Authorised for release by the Livium Managing Director and CEO.

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## About Livium

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

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

## Forward-looking statements

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

[7] Australian Government, Department of Industry, Science and Resources,