€3.1M Funded Battery Recycling Consortium Commences in Europe

Highlights

- ION is set to play a central role in building Europe's circular battery supply chain, with a consortium led by PEM RWTH Aachen University, established following 12 months of collaboration and a €2,068,000 German government grant.
- The Consortium participants have committed expenditure of a further €1,069,000, including €265,000 from Iondrive. This provides a total of €3,137,000 to fund consortium activities.
- Participation in the grant funded consortium provides Iondrive with feedstock, OEM validation, and other services to accelerate European market entry and will reimburse 60% of Iondrive's pilot plant operating costs up to a maximum grant amount of €398,000.
- The consortium aims to establish a closed-loop battery recycling industry for Germany by demonstrating that battery cells made from 80% of sustainably recycled materials can perform on par with those using virgin metals.
- Iondrive's role will be the processing of battery black mass into high-purity battery-grade metals using its environmentally sustainable DES method, and further valorising to pCAM materials.
- In parallel, the consortium has engaged with leading European automotive OEMs and battery manufacturers, who are expected to become actively involved following the achievement of key technical milestones.
- Participation in the consortium also strengthens Iondrive's position in Europe and supports engagement with industry partners across the battery materials supply chain, including the potential for future access to black mass feedstock and product off-take arrangements.
- Iondrive is currently constructing its DES processing pilot plant at the University of Adelaide, supported by a grant of up to AUD $3.9 million under the Industry Growth Program. Commissioning of the pilot plant is expected to be completed in early calendar year 2026, with the facility designed for easy transport and deployment in Europe.

Iondrive Limited (ASX: ION) ("Iondrive" or "the Company") is pleased to announce its participation as a core technology partner in a €3,137,000 million European battery recycling consortium led by PEM RWTH Aachen University (PEM) which has now been formally established. The consortium is backed by the award of a €2,068,000 grant from the Government of North Rhine-Westphalia (NRW), together with €1,069,000 committed by consortium participants. This arrangement provides Iondrive with substantial non-dilutive funding, covering 60% of European pilot costs and access to black mass feedstock and services at no cost. Iondrive's role in the consortium will focus on producing recycled metals from recycled batteries and further process those metals to pCAM material for downstream manufacturing of battery cells. The batteries produced from the recycled metals will be tested and validated by automotive OEMs.

Iondrive Limited CEO Dr Ebbe Dommisse commented:
"Being part of this consortium provides Iondrive with the opportunity to demonstrate, to leading European OEMs, that battery cells produced from recycled metals produced using our DES process can perform on par with virgin materials. Just as importantly, the consortium brings together the full value chain — from research and processing to end-users — which is essential for establishing a sovereign and sustainable battery materials industry in Europe. The consortium not only provides an entry point into the European market, but also potentially secures feedstock from our upstream industry partners while developing off-take agreements for product with our downstream partners."

Consortium Development and Members

The consortium has evolved through several stages, with working groups active over the past 12 months to develop both the technical and commercial framework. More recently, funding and contribution agreements were executed, securing financial commitments that underpin the next phase. The signing of the Cooperation Agreement this week marks the formalisation of the consortium's governance and structure, following the award of the €2,068,000 NRW grant.

The consortium is led by RWTH Aachen University, a recognised leader in battery production and recycling research. The objective of the consortium is to establish a battery recycling industry for Germany, with an immediate goal of providing the proof of concept that recycled materials can perform as well as battery cells from virgin metals from mining. Founding consortium members include:

- **Accurec Recycling GmbH** – is a German recycling company, specialising in battery and electronic waste treatment. Within the consortium, it contributes practical expertise in recycling processes including battery dismantling and mechanical processing to produce black mass to supply to Iondrive.
- **Iondrive EU GmbH** – focused on environmentally sustainable processing of black mass into high-purity battery-grade metals using its DES method, and further valorising to pCAM materials. Iondrive's DES pilot plant is currently under construction in Australia and is expected to be shipped to the EU in the quarter ended June 2026.
- **NEUMAN & ESSER Process Technology GmbH** – provides advanced process technology and equipment, including grinding, classification and separation systems widely used in industrial recycling. The company will contribute process engineering expertise and technology solutions to support scaling of the consortium's recycling operations.
- **Constantia Patz GmbH of Constantia Flexibles International GmbH** – is a global packaging and materials group with expertise in lightweight, recyclable flexible packaging solutions. Its participation will bring knowledge of material design and recovery pathways, helping ensure recycled metals and by-products can be integrated into sustainable manufacturing chains.
- **PEM RWTH Aachen University** – will receive pCAM material from Iondrive and further process to CAM material in their existing pilot plant – to be used for battery cell manufacturing.

The consortium represents a supply chain collaboration that begins with the dismantling of end-of-life traction batteries, followed by the separation and production of cathode and anode active materials, and will conclude with the manufacturing of new sustainable batteries.

Major European automotive OEMs are expected to join as associate members once initial milestones are achieved, providing direct validation of Iondrive's DES process and a potential pathway to commercial offtake arrangements.

Improvements to Iondrive's DES technology, through consortium activities, are retained exclusively by Iondrive.

NWR Grant Funding

Under the grant agreement, the consortium members collectively receive €2,068,000, administered by Projektträger Jülich (PTJ) on behalf of the Ministry of the Environment, Nature Conservation and Transport of the State of North Rhine-Westphalia. Consortium participants have committed expenditure of a further €1,069,000, including €265,000 from Iondrive. This provides a total of €3,137,000 to fund consortium activities.

The grant funds 60% of the costs incurred by Iondrive in operating its pilot plant in Germany, up to a maximum grant amount of €398,000, while other funding to the wider consortium supports the supply of feedstock to Iondrive at no cost, together with validation and other services to accelerate the establishment of a recycled battery supply chain in Germany. The grant is available for three years from October 2025.

Iondrive's DES Pilot Plant

The front-end engineering design of the large-scale continuous integrated pilot plant has been completed and the procurement and construction phase commenced in August 2025. The pilot plant is being constructed at a University of Adelaide site, with 50% of eligible construction and other ancillary costs to be reimbursed up to a maximum $3.9 million under the Australian Government's Industry Growth Program (refer ASX Announcement 12 August 2025). Commissioning of the pilot plant is expected to be completed in the quarter ending March 2026. Following initial operations in Australia, the pilot plant is planned to be shipped to Germany for further optimisation of its processes within the consortium.

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