VOLTAIRE MINERALS

Battery Metals Market Update

10 July 2026

Confidential

Price Changes

	Price Date	Current MID	Weekly change	Monthly change	Annual change
Cobalt Hydroxide *FM Co Hydroxide 30% Co min, CIF China, $/lb*	*10.07.2026*	24.25	(2%)	(5%)	96%
Cobalt Hydroxide Payable *FM Cobalt Payable in Hydroxide, CIF China, % of FM SG*	*10.07.2026*	96%	(2%)	(4%)	20%
MHP Payable *FM Cobalt Payable in MHP, CIF CJK, % of SG*	*10.07.2026*	89.50	(1%)	(2%)	42%
Cobalt Sulfate *Mysteel Co Sulfate Battery Grade, China, Rmb/t*	*10.07.2026*	85,500	(1%)	(6%)	68%
Cobalt Metal *FM Standard Grade, in-Whs Rotterdam, $/lb*	*10.07.2026*	26.25	0%	0%	66%
Cobalt Metal *FM Alloy Grade, in-Whs Rotterdam, $/lb*	*10.07.2026*	28.75	(0%)	(1%)	51%
Spodumene *FM Spod 6% Li_2O, CIF Asia, USD/t*	*10.07.2026*	2,199	(10%)	(10%)	226%
Lithium Carbonate *FM Li Carbonate Battery Grade, CIF Asia $/kg*	*10.07.2026*	19.50	(8%)	(9%)	136%
Lithium Carbonate *Mysteel Li Carbonate Battery Grade, China, Rmb/t*	*10.07.2026*	155,350	(6%)	(6%)	147%
Lithium Hydroxide *FM Li Hydroxide Battery Grade, CIF CJK, $/kg*	*10.07.2026*	19.28	(4%)	(7%)	141%
Lithium Hydroxide Mysteel Li Hydroxide Battery Grade, China, Rmb/t	*10.07.2026*	142,250	(7%)	(6%)	148%

Executive summary

- **Cobalt** – Approximately 9,400t of cobalt contained in hydroxide was exported from the DRC as of June 25, led by KFM (2,200t), ERG (1,592t), and TFM (1,152t). KCC exported 400t, a decrease from 1,400t the previous month, bringing the total to 42kt of cobalt contained exported under the new ARECOMS quota regime (from December 2025 to the end of June 2026). The unused H1 2026 quota allocations of 15kt will be forfeited and added to the ARECOMS strategic export quota, as announced last week. Domestic Chinese cobalt metal prices closed the week at Rmb379,500/t ($25.39/lb, including 13% VAT), rebounding by nearly 5% from the late June level of Rmb363,500/t. Prices are now almost perfectly aligned with the Fastmarkets Standard Grade Low price of $25.50/lb, eliminating any arbitrage opportunities between the international and Chinese markets. Domestic Chinese salts prices remain steady; however, FM Cobalt hydroxide CIF China dropped 2.0% this week to $24.00–$24.50/lb, but refining margins remain significantly negative. LCO 4.40V prices have dropped 8.6% year-to-date, whereas NCM 8-series prices have climbed 22% during the same period. Analysts predict that LCO demand may continue to decline over the next two to three years as higher DRAM and flash memory costs, driven by AI data center demand, impact consumer electronics production and demand.

- **Lithium** – Lithium prices in China ended the week lower with hydroxide falling 5.7% week-on-week to Rmb155,450/t and carbonate falling 7.5% week-on-week to Rmb136,500/t after reaching up to Rmb147,500/t and Rmb165,300/t respectively on Monday. Lithium carbonate inventories in China have been falling with SMM social inventories falling by 2,338t to 92,235t and GFEX LC daily inventories falling to 43,640t, approaching more normal levels after record high levels in June. The US DLA launched a five-year tender to procure up to 16.2 kt of battery-grade lithium carbonate for the National Defense Stockpile with a nominal value of roughly $324m at current prices. With 2025 US imports of 15,853t of lithium carbonate, the stockpile would represent roughly 1 year of imports.

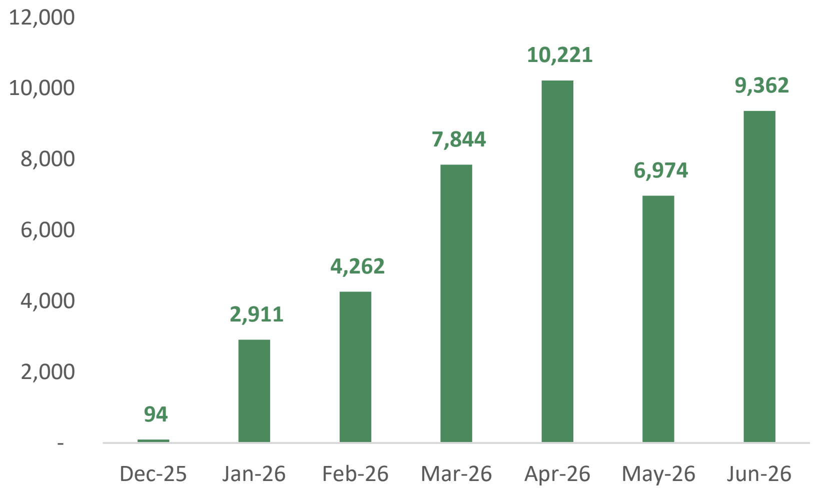
- **EV/Auto** – China's domestic passenger vehicle market remains under pressure with retail sales falling 23.2% year-on-year in June to 1.6 million units. NEV sales declined 9% YoY, but continued to account for more than 60% of total passenger vehicle sales for the third consecutive month. Chinese automakers continued to rely heavily on export with NEV exports increasing 150% YoY to 499,000 units. June sales for Chinese manufacturers remained strong with BYD +5.22% MoM, Tesla recording one of its strongest months of the year and SAIC, Leapmotor, Cherry and Geely all achieving double-digit percentage growth MoM. Looking ahead, the CPCA expect competition in the domestic market to remain intense as rising automotive chip prices and higher lithium costs continue to pressure margins. However, the association expects market sentiment to improve after July, although still forecasts a 14% reduction in domestic retail sales for 2026.

Cobalt

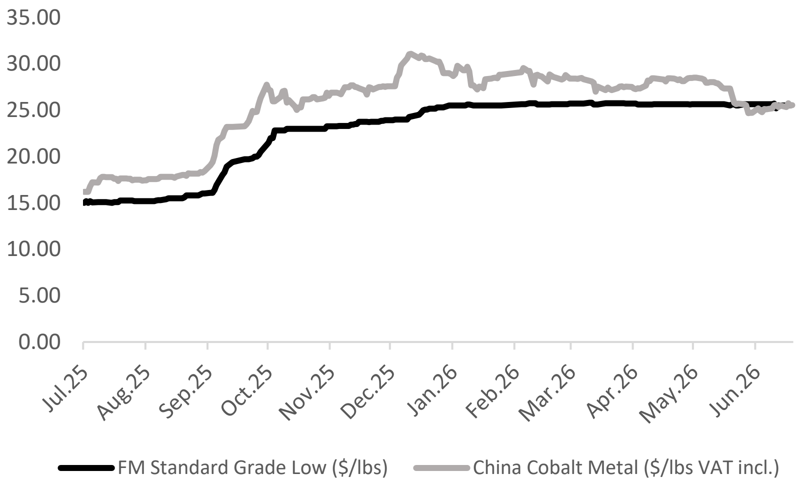
DRC exports rebound, Chinese metal stabilizes, LCO prices drop while NCM prices increase year-to-date

- During June 2026, around 9,300 t of contained cobalt were exported from the DRC, with KFM accounting for roughly a quarter of the total at 2,200 t, followed by ERG at 1,592 t and TFM at 1,152 t. KCC dropped to 400 t from 1,400 t the previous month. Overall, since December 2025, 42 kt of contained cobalt has been exported under the new ARECOMS quota regime (December 2025-June 2026).
- Following last week's ARECOMS announcement that unused cobalt hydroxide export quotas allocated for H1 2026 would be forfeited and reallocated to the country's strategic export quota, the unused H1 2026 allocation is estimated at 15 kt of contained cobalt that could not be exported.
- Cobalt metal prices in China stabilized last week, the first pause in the decline since early May 2026. Spot prices recovered slightly from recent lows of 363,500/t ($24.32/lb including 13% VAT) to RMB 379,500/t ($25.39/lb including 13% VAT) almost in line with the Fastmarkets Standard Grade Low assessment which sits at $25.50/lb, closing the export arbitrage to Western markets.
- FM Cobalt hydroxide CIF China was down -2.0% this week to 24.00-24.50 USD/lbs with payable down at 94.00-97.00%. With Chinese cobalt sulphate at $24.56/lbs VAT excl and chloride at $24.97/lbs VAT excl the economics of importing Hydroxide into China for salts producers has improved vs. 2 weeks ago where the spread with hydroxide was closer to zero, but remains uneconomical.
- LCO 4.40V cathode prices in China, the most common grade used by 3C manufacturers, have fallen 8.6% since the start of the year, while NCM 811 (8-series) prices have risen 22% over the same period.
- Demand for LCO chemistries is expected to continue softening over the next two to three years as rising DRAM and flash memory costs weigh on consumer electronics production, the main end-use for this chemistry. Memory chip prices have spiked as AI data centres have bought up roughly five years' worth of supply, pushing component costs higher across the electronics supply chain.

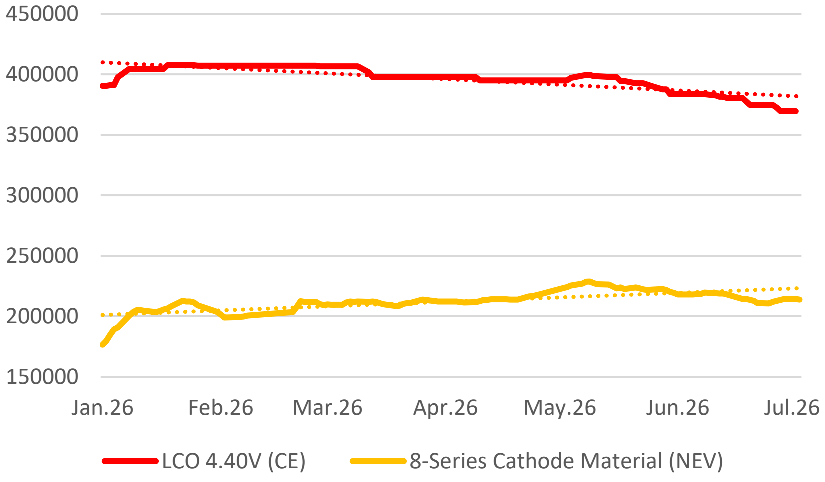
DRC Cobalt Exports (Co mt)



Cobalt Metal Spot Price (FMSG & China)



China Cathode Material Price (RMB/t)



Sources: Fastmarkets, SMM, Trade Data, Voltaire Minerals Analysis

Cobalt Futures

CME COB curve steepens with +2.7% on the backend and -0.85% on the front-end

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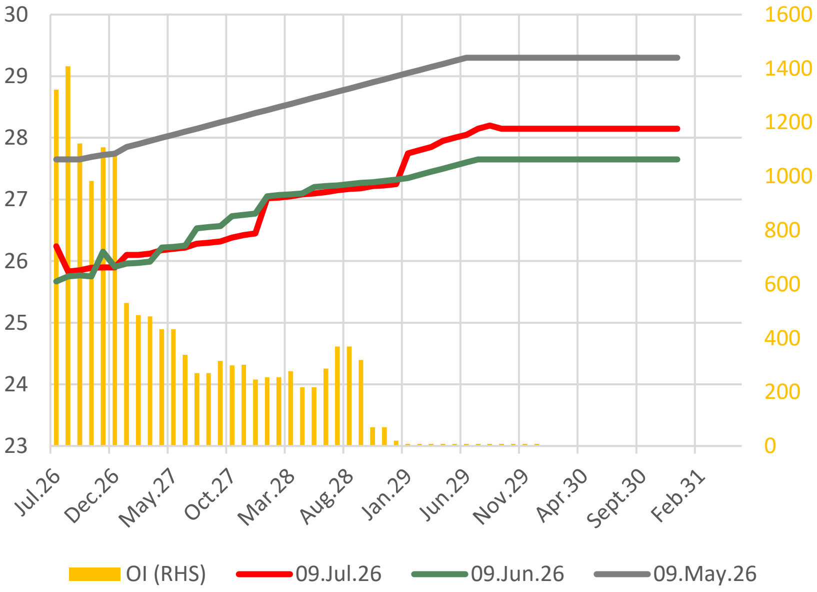
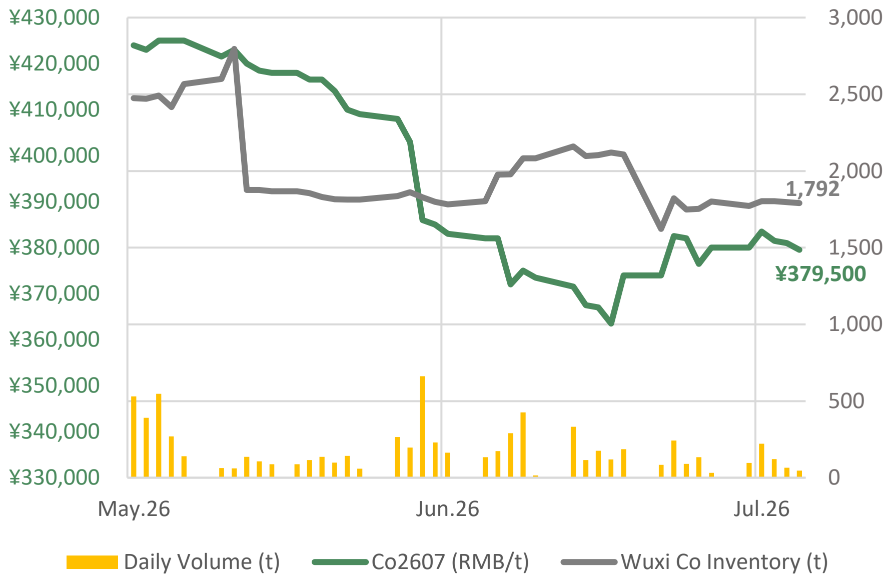
- The CME forward curve steepened this week as the front-end (Cal 26) decreased 0.85% while the back-end increased 1.47%, 2.73% and 2.74% for Cal 28, 29 and 30 respectively. This shift increased the Jul26-Jul28 spread to $0.91/lb (still just a 1.72% annualized contango) against just $0.64/lb a week ago.
- Activity remained high this week, clearing 946t over the last 5 sessions vs. 970t the week prior.
- Flow was led by Q4-26 (338t, split mainly between Oct26 with 150t and Nov26 with 143t). There was more activity further down the curve with 90t traded in Q1 27 and 300t spread almost evenly every month between Q2 27 and Q4 28.
- Wuxi futures showed little volatility this week with prices ranging between Rmb383,500/t and Rmb379,500/t and ending the week up 0.8% at RMB 379,500/t ($25.40/lbs VAT included).
- 20d, 60d and 120d annualized Realized Volatility on the Wuxi all fell below 20% after briefly jumping above following increased volatility in June.
- Exchange inventories were broadly flat week-on-week around 1,800t.

CME Cobalt Forward Curve



Date		CME Cobalt ($/lbs)	W-o-W change (%)	M-o-M change (%)
Q3 26	$	25.97	(0.66%)	3.98%
Q4 26	$	25.90	(1.03%)	3.59%
Q1 27	$	26.11	0.41%	4.72%
Q2 27	$	26.20	(0.04%)	4.54%
Cal 26	$	25.94	(0.85%)	3.78%
Cal 27	$	26.26	0.17%	4.40%
Cal 28	$	27.13	1.47%	5.50%
Cal 29	$	28.03	2.73%	6.32%
Cal 30	$	28.15	2.74%	6.43%

Wuxi Cobalt Metal Price



Date	Wuxi Co Inventory (t)	Daily Volume (t)		Co2607 (RMB/t)		Co2607 (USD/lbs) VAT incl.		FMSG Low (USD/lbs)
10.Jul.26	1,792	47	¥	379,500	$	25.39	$	25.50
09.Jul.26	1,797	65	¥	381,000	$	25.49	$	25.50
08.Jul.26	1,802	122	¥	381,500	$	25.53	$	25.50
07.Jul.26	1,803	222	¥	383,500	$	25.66	$	25.50
06.Jul.26	1,771	96	¥	380,000	$	25.43	$	25.50
03.Jul.26	1,801	31	¥	380,000	$	25.43	$	25.50

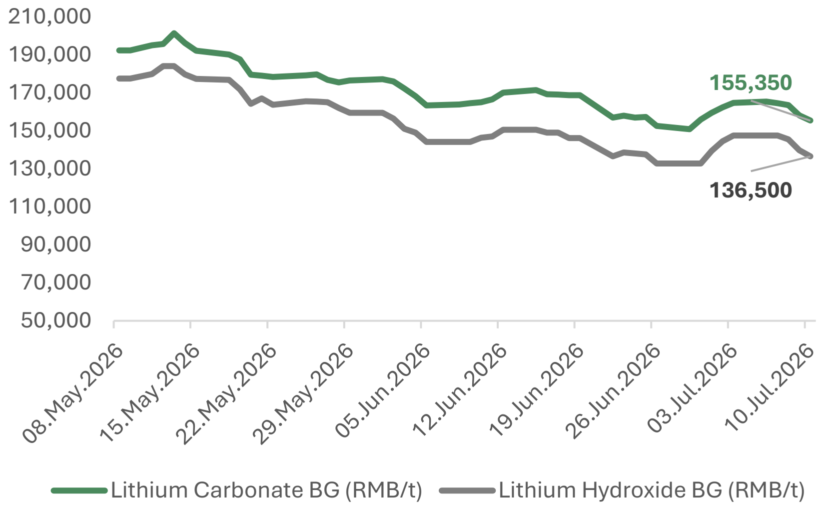
Sources: CME, Wuxi, Voltaire Minerals Analysis

Lithium

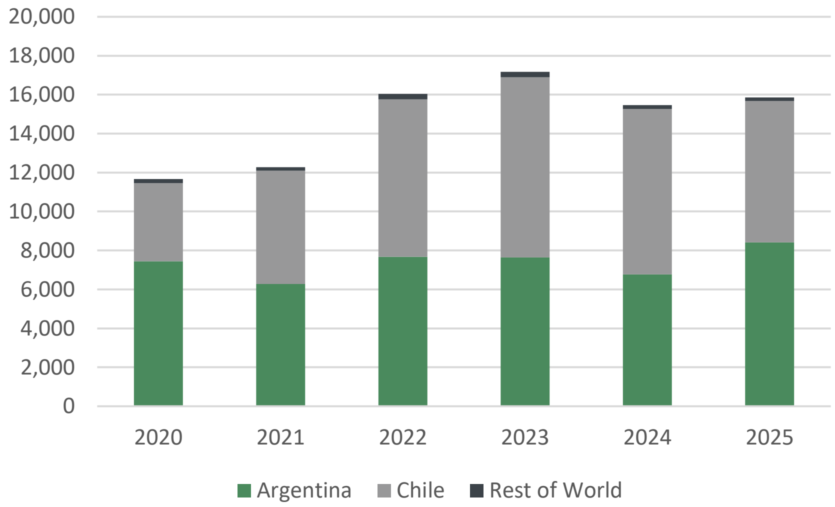
Lithium prices slightly lower; Chinese LC inventories continue drawdown; US increases involvement in Lithium market

- Lithium prices in China ended the week lower with hydroxide falling to Rmb136,500/t ($17.82/kg excluding 13% VAT) down 7.5% week-on-week and carbonate falling to Rmb155,350/t ($20.28/kg excluding 13% VAT) down 5.7% week-on-week after reaching up to Rmb147,500 ($19.21/kg VAT excl) and Rmb165,300/t ($21.52/kg VAT excl) respectively on Monday.
- Lithium inventories in China have been falling with SMM social inventories (old methodology) falling by 2,338t to 92,235t of lithium carbonate accelerating the destocking of the last few weeks. At the same time, GFEX lithium carbonate daily inventories have been falling back down to 43,640t approaching more normal levels after peaking at a record-high 56,599t.
- The US DLA launched a five-year tender to procure up to 16.2 kt of battery-grade lithium carbonate for the National Defense Stockpile. While strategically significant as the first major move to include lithium in the US defense reserve system, the volume is too small to materially affect market fundamentals.
    - At current prices around $20/kg, this represents a nominal value of approximately $324m
    - In 2025, the United States imported 15,853t of Lithium Carbonate mainly from Argentina and Chile suggesting the DLA wished to create a stockpile equivalent to 1 year of imports.
    - This most recent step following Washington taking a 5 per cent stake in Lithium Americas and 5 per cent ownership of its Thacker Pass lithium mining joint venture in Nevada showing increased motivation to develop ex-China supply chains in critical minerals.

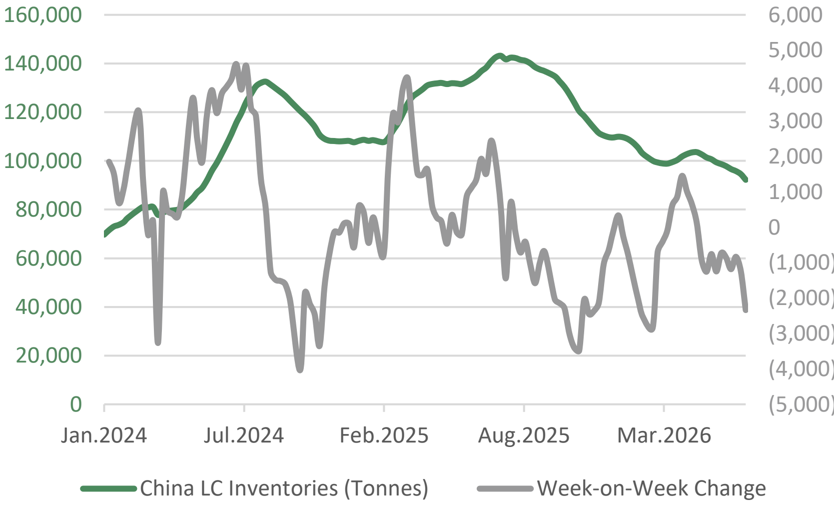
China Lithium Prices (RMB/t)



United States Lithium Carbonate Imports (t LC)



China LC Inventories (Old Methodology)



Sources: Mysteel, Horizon Insights, SMM, Voltaire Minerals Analysis

Lithium Futures

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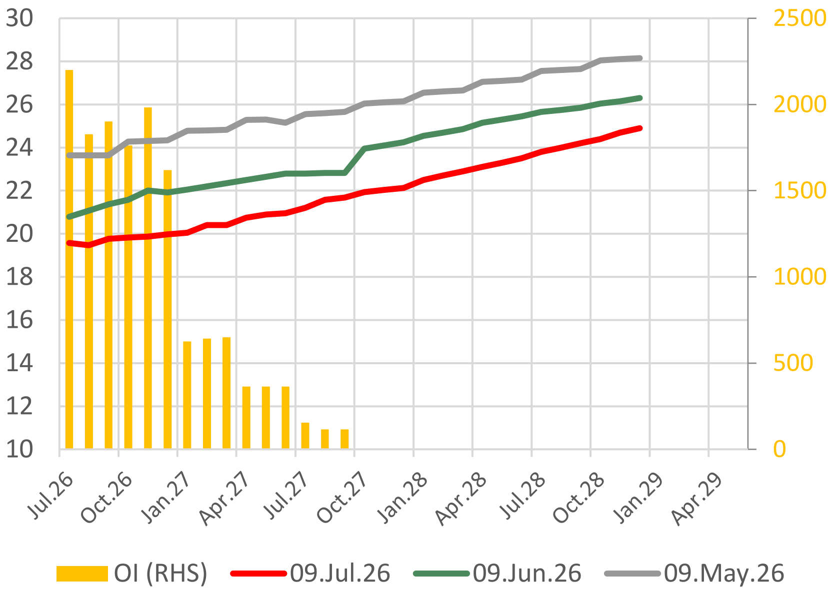
CME LiOH Futures curve drops approximately 1%

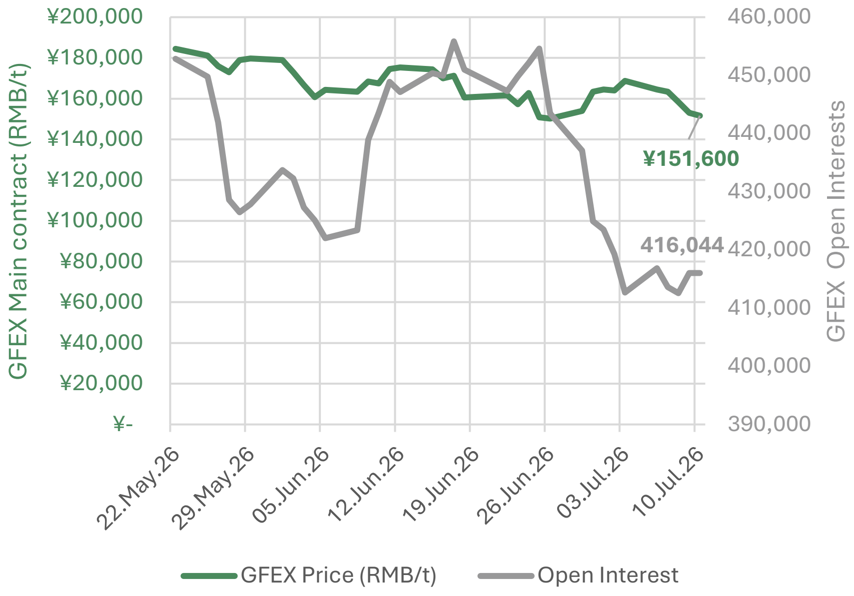
- The CME LiOH futures curve saw a parallel shift down 0.5%-1% with Friday alone pushing prices 1%-2% lower. The futures curve is now between 6.5% and 8.5% lower than it was a month ago and significantly lower than it was 2 months ago.
- Trading activity for LiOH more than doubled this week with 2,012t traded vs. 870t the previous week. Thursday 9 July alone saw 1,185t traded with 866t split between Sep26 and Oct26.
- The Sep26 GFEX LC contract closed at RMB151,600/t (eq. $19.79/kg excluding VAT), down 10% WoW and falling back to prices from 2 weeks ago after a recovery last week.
- Effective July 3rd, the GFEX began allowing miners, battery makers and traders outside China to trade lithium carbonate futures and options. Foreign traders are allowed to use US dollars as margin, but all trading and settlements are denominated in Chinese yuan. The move should help increase trading liquidity and support China's pricing role for lithium carbonate.

CME Lithium Hydroxide Forward Curve



Date	CME Lithium Hyd ($/kg)	W-o-W change (%)	M-o-M change (%)
Q3 26	$ 19.61	(0.27%)	(6.59%)
Q4 26	$ 19.89	(0.53%)	(8.55%)
Q1 27	$ 20.28	(1.06%)	(8.77%)
Q2 27	$ 20.87	(0.40%)	(7.26%)
Cal 26	$ 19.75	(0.40%)	(7.59%)
Cal 27	$ 21.17	(1.07%)	(7.56%)
Cal 28	$ 23.67	(0.98%)	(6.92%)

GFEX Li2CO3 closing prices & OI



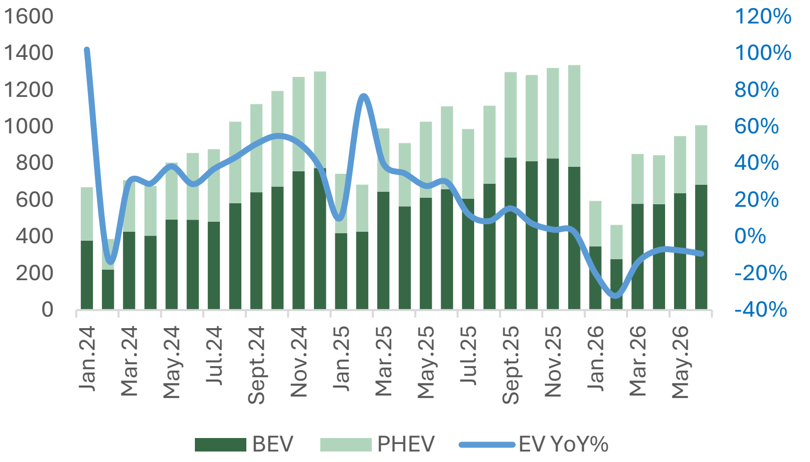
Date	Daily Inventory	Daily Volume	Open Interest	Price Change (%)	GFEX Price (RMB/t)
10.Jul.26	44,020	282,269	416,044	-0.93%	¥ 151,600
09.Jul.26	44,020	282,269	416,044	-3.42%	¥ 153,020
08.Jul.26	43,640	199,757	412,567	-3.01%	¥ 158,440
07.Jul.26	46,085	173,063	413,590	-0.73%	¥ 163,360
06.Jul.26	46,708	174,787	416,855	-2.50%	¥ 164,560
03.Jul.26	48,206	211,420	412,685	2.89%	¥ 168,780

Sources: CME, GFEX, Voltaire Minerals Analysis

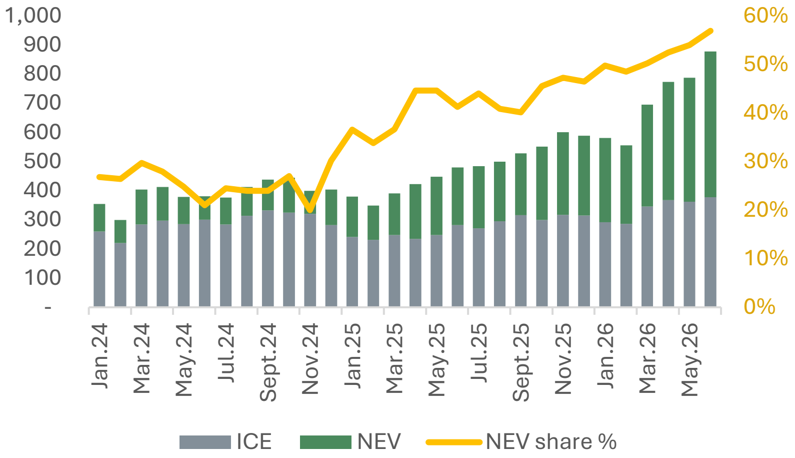
China's auto market remains weak, with exports offsetting domestic slowdown

- China's passenger vehicle market remained under pressure in June, with retail sales falling 23.2% year-on-year to 1.6 million units. New energy vehicle (NEV) sales declined 9% YoY, although NEVs continued to account for more than 60% of total passenger vehicle sales for the third consecutive month.
- Exports remain the industry's strongest growth engine. Passenger car exports reached 877,000 units in June, up 82.3% year-on-year, with NEVs accounting for a record 56.9% of total exports. NEV exports surged 152.7% year-on-year to 499,000 units, led by BYD, Chery, Geely and Tesla China, demonstrating that overseas markets continue to absorb China's expanding production capacity..
- Export growth has become the primary support for wholesale sales with performance across manufacturers staying strong in June. BYD's overall deliveries continuing to grow 5.22% month-on-month to 403,472 units in June despite weaker domestic sales. Tesla recorded one of its strongest months of the year, selling 89,091 units up 24.4% YoY, extending its year-on-year growth streak in China to eight months. Other leading Chinese manufacturers SAIC motor, Leapmotor, Cherry and Geely all achieved double digit percentage sales growth MoM.
- Looking ahead, the China Passenger Car Association expects competition to remain intense as the domestic market becomes increasingly replacement-driven. Rising automotive chip prices and higher lithium carbonate costs continue to pressure margins, although the association expects market sentiment to gradually improve after July despite forecasting a 14% contraction in retail sales for 2026.

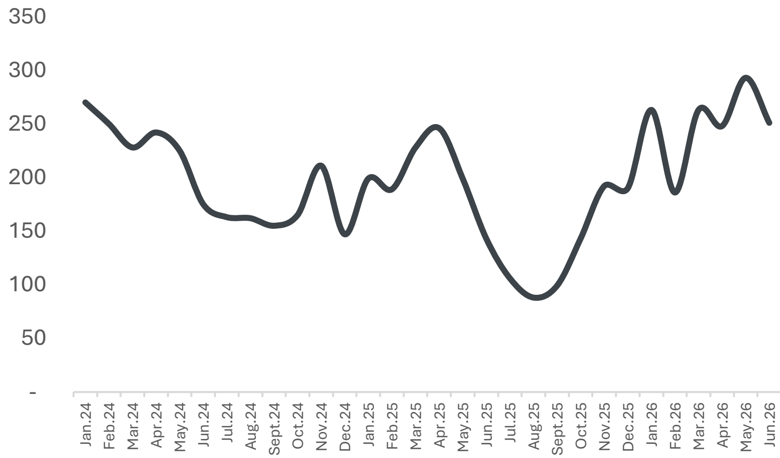
China domestic EV sales ('000s)



China passenger car exports ('000s)



China implied NEV inventory ('000s units)



Source: China Passenger Car Association, Voltaire Minerals analysis. NEV = BEV (Battery Electric Vehicle) + PHEV (Plugin Hybrid Electric Vehicle). ICE = Internal Combustion Engine. NEV inventory = production less wholesales (includes exports)

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