VOLTAIRE MINERALS

Battery Metals Market Update

24 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*	*24/07/2026*	23.88	(1%)	(5%)	88%
Cobalt Hydroxide Payable *FM Cobalt Payable in Hydroxide, CIF China, % of FM SG*	*24/07/2026*	95%	0%	(3%)	13%
MHP Payable *FM Cobalt Payable in MHP, CIF CJK, % of SG*	*24/07/2026*	89.00	0%	(3%)	36%
Cobalt Sulfate *Mysteel Co Sulfate Battery Grade, China, Rmb/t*	*24/07/2026*	82,000	(4%)	(9%)	60%
Cobalt Metal *FM Standard Grade, in-Whs Rotterdam, $/lb*	*24/07/2026*	26.25	0%	(0%)	68%
Cobalt Metal *FM Alloy Grade, in-Whs Rotterdam, $/lb*	*24/07/2026*	28.90	1%	(1%)	53%
Spodumene *FM Spod 6% Li2O, CIF Asia, USD/t*	*24/07/2026*	2,078	(6%)	(9%)	156%
Lithium Carbonate *FM Li Carbonate Battery Grade, CIF Asia $/kg*	*24/07/2026*	19.25	(1%)	(7%)	119%
Lithium Carbonate *Mysteel Li Carbonate Battery Grade, China, Rmb/t*	*24/07/2026*	145,150	(5%)	(8%)	107%
Lithium Hydroxide *FM Li Hydroxide Battery Grade, CIF CJK, $/kg*	*24/07/2026*	18.75	(3%)	(4%)	133%
Lithium Hydroxide Mysteel Li Hydroxide Battery Grade, China, Rmb/t	*24/07/2026*	134,750	(2%)	(6%)	117%

Executive summary

- **Cobalt** – Spot cobalt and Wuxi futures continued their downward trend in China this week, with prices contracting from RMB 359,000/t to RMB 332,500/t (-7.5% WoW), widening the arbitrage between the Fastmarkets Standard Grade LOW at $25.35/lb and Chinese spot cobalt VAT included at $22.30/lb to approximately $3.05/lb. Chinese imports of cobalt hydroxide were 3,244t Co content (+420% MoM) in June bringing cumulative H1 26 hydroxide imports from the DRC to 5,387t Co content (-90% YoY). June marks the first month hydroxide imports surpassed 3,000t since July 2025. China's cobalt metal imports during H1 2026 were 7,710t, led by Indonesia with 1,589t, down 31% YoY as MHP producers struggle with high sulfur prices amid freight disruptions in the Strait of Hormuz. Chinese cobalt metal exports during H1 26 were 2,664t (-76% YoY).

- **Lithium** – China ends consumption tax exemption for Li-ion batteries, increasing them to 2% on September 1, 2026 and 4% on September 1, 2027 a cost impact equivalent to Rmb12,000/t increase in lithium carbonate prices. The exemption still applies to sodium-ion, solid state and next-gen PV technologies. China’s total lithium imports in June increased by 4.04% to 183kt LCE despite a 30% decrease MoM in lithium carbonate imports to 25,322t (-11kt MoM) as spodumene imports increased 12.9% MoM to 768,400t (153.6kt LCE). Lithium sulfate imports increased 12% MoM to 13,500t (7,700t LCE) with Chile supplying 13,400t and Zimbabwe shipping its first 100t following the lithium concentrate export bans in February.

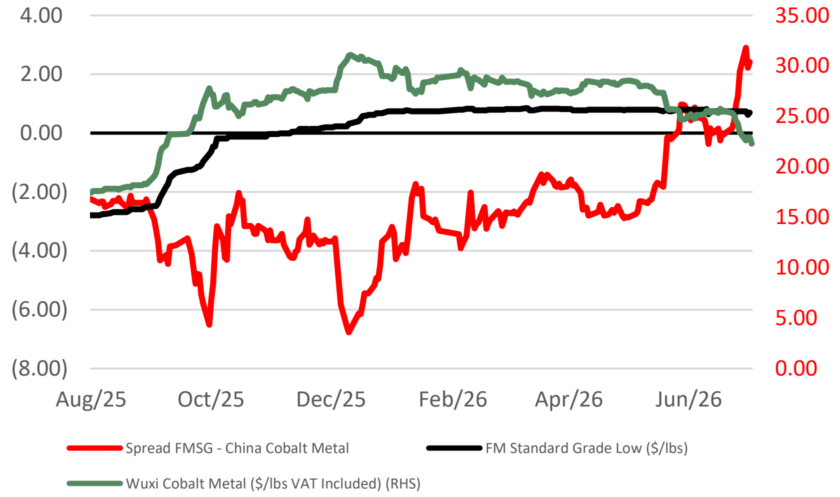
- **EV/Auto** – Europe EV sales reached 507k units in June surpassing the previous high of 502k units set in March 2026 and 41% higher than June 2025. EV's market share now stands at 36%, just below the high of 37% set in December 2025. In June, 34% of new Plug-in Hybrid sales, 15% of full EV sales and 10% of all vehicle sales were Chinese brands. Geely is taking a 34% stake in a new joint venture with Ford which will use Ford's Almussafes plant near Valencia, currently running under a quarter of its 450k-unit capacity, and upgrade it to 500k cars a year. The plant will produce three Ford multi-energy models and two Geely EVs, with deliveries starting in 2028. This extends Chinese investment into underutilized European manufacturing capacity following Chery partnering with Spanish firm Ebro, Stellantis extending ties with Leapmotor, BYD in talks with Stellantis, and SAIC, BAIC and Xpeng each planning new plants or local partnerships.

Cobalt

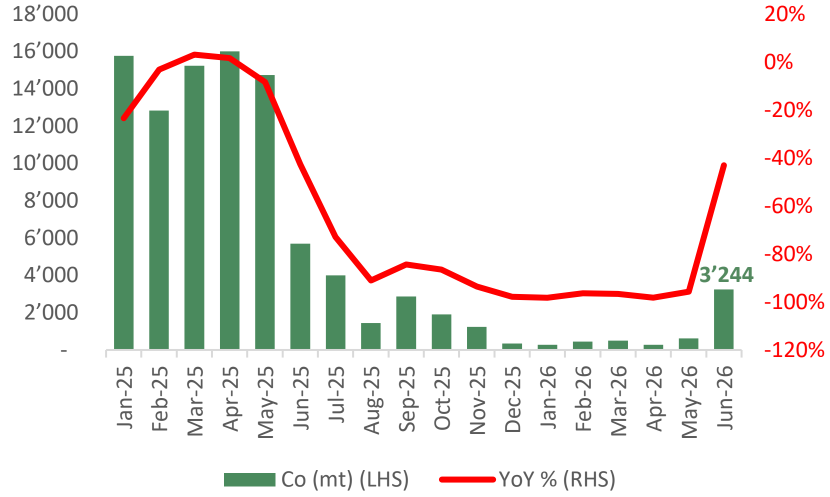
China-West cobalt price spread widens while Chinese imports rebounds

- Spot cobalt and Wuxi futures continued their downward trend in China this week, with prices contracting from RMB 359,000/t to RMB 332,500/t (-7.5% WoW), widening the arbitrage between the Fastmarkets Standard Grade LOW at $25.35/lb and Chinese spot cobalt VAT included at $22.30/lb to approximately $3.05/lb.
- China's cobalt hydroxide imports in June reached 3,244t (Co metal content), up +420% MoM but still down 40% YoY. Cumulative January-June 26 hydroxide imports from DRC totalled 5,387t, down 90% YoY. This is the first month imports of hydroxide surpassed 3,000t since July 25. Cobalt metal imports by China also grew during June rose to 1,120t up 65% MoM with cumulative H1 metal imports of 7,710t.
- Indonesia was the largest supplier of metal to China during H1 2026 with 1,589t imported, but down 31% YoY. This reflects tightness of MHP production in Indonesia driven by higher sulfur prices amid the ongoing conflict in the Middle East. In 2025, 76% of Indonesia's sulfur imports came from the Middle East, and sulfur accounts for up to 65-70% of MHP cash costs. Cobalt MHP producers in Indonesia rely on sulfuric acid as an input for high-pressure acid leaching, and disruptions to freight moving through the Strait of Hormuz have weighed on availability and cost.
- China’s imports of metal from Russia surged to 1,309t in H1 2026 from 134t in last year with much of the material delivered under existing long-term contracts. The increase does not reflect stronger buying interest, as the import arbitrage remained largely closed with Chinese domestic prices below international levels. Madagascar shipments also rose 59% MoM to 148t, tied to the resumption of Ambatovy production of briquettes.
- Chinese cobalt metal exports rose 36% MoM to 503t in June but remained down 46% YoY. H1 2026 cumulative exports was 2,664t, down 76% YoY.

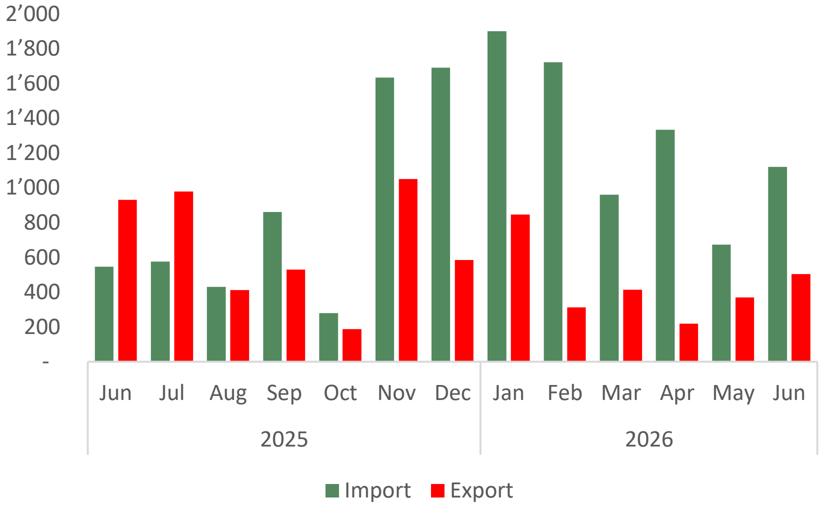
Cobalt Metal Price Spreads



China cobalt hydroxide imports from DRC (Co t)



China Cobalt Metal Import/Export YoY (Co t)



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

Cobalt Futures

New policy in China ending battery tax exemption sends prices lower

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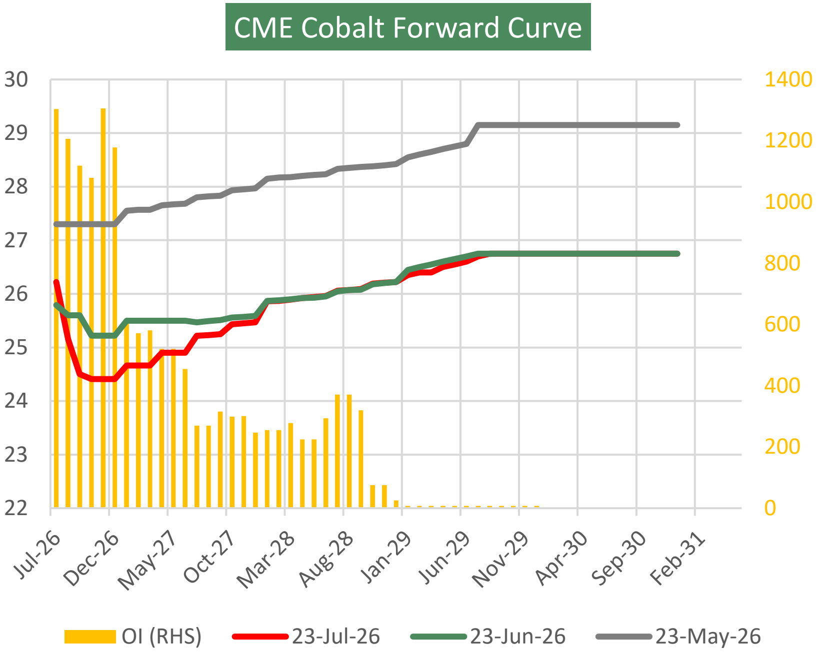
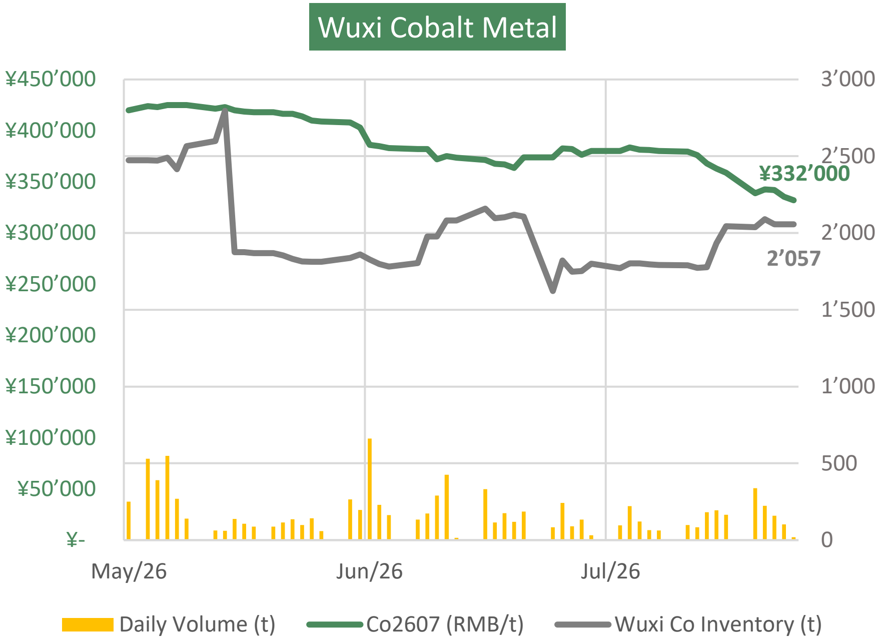
- Cobalt futures and spot prices weakened this week after China announced the end of tax exemption for lithium-ion batteries, marking a policy shift as Beijing looks to bring in competition across the new-energy supply chain.
- China will impose a 2% consumption tax on lithium-ion batteries from September, rising to 4% from September 2027. The announcement triggered selling in Chinese new energy stock market and futures, as the market priced in higher cell costs and thinner margins.
- The CME forward curve weakened in a parallel shift this week with notably Cal 27 down 2.5% at $25.06/lbs
- Activity continue to increase, clearing 1,601t over the last 5 sessions vs. 1,008t the week prior.
- Wuxi futures continued the lower pattern in China this week with prices contracting from RMB 359,000/t to RMB 332,500/t -7.5% week-on-week.
- The 20d realized volatility on the Wuxi went up to 27% from 19% last week. Exchange inventories were broadly flat week-on-week finishing at 2,057t.





Date	CME Cobalt ($/lbs)		W-o-W change (%)	M-o-M change (%)
Q3 26	$	25.29	(1.77%)	(0.62%)
Q4 26	$	24.41	(2.63%)	(3.33%)
Q1 27	$	24.66	(2.53%)	(2.66%)
Q2 27	$	24.90	(2.73%)	(1.85%)
Cal 26	$	24.85	(2.20%)	(1.97%)
Cal 27	$	25.06	(2.49%)	(1.50%)
Cal 28	$	26.02	(2.15%)	0.01%
Cal 29	$	26.60	(1.66%)	(0.22%)
Cal 30	$	26.75	(1.65%)	0.00%

Date	Wuxi Co Inventory (t)	Daily Volume (t)	Co2607 (RMB/t)		Co2607 (USD/lbs) VAT incl.		FMSG Low (USD/lbs)
24-Jul-26	2,057	19	¥	332,000	$	22.23	$ 25.35
23-Jul-26	2,057	103	¥	335,500	$	22.46	$ 25.35
22-Jul-26	2,058	159	¥	342,000	$	22.90	$ 25.15
21-Jul-26	2,091	224	¥	342,500	$	22.93	$ 25.50
20-Jul-26	2,039	339	¥	339,000	$	22.70	$ 25.50
17-Jul-26	2,045	165	¥	359,000	$	24.04	$ 25.50

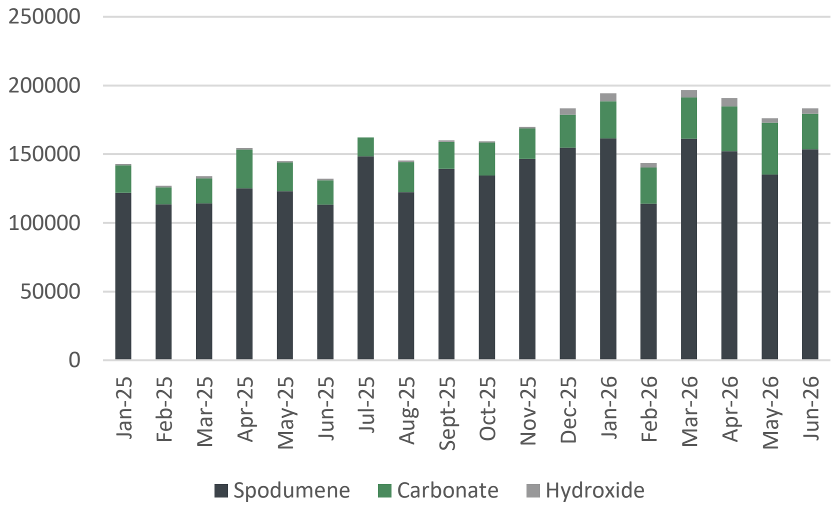
Sources: CME, Wuxi, Voltaire Minerals Analysis

Lithium

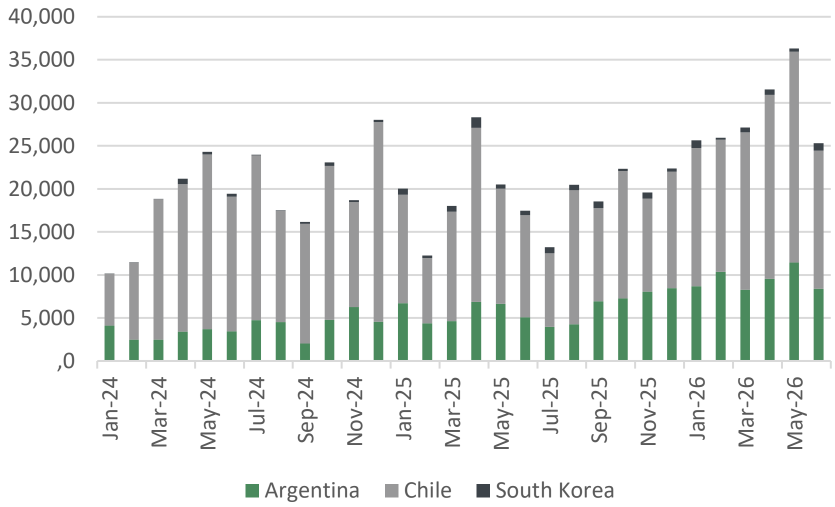
China to impose 2% consumption tax on Li-ion batteries from September 1, 2026; Chinese battery production grows 7.5% to 206GWh; Lithium imports grow 4.04% on LCE basis as spodumene growth outweighs carbonate drop

- China ends years of consumption tax exemptions for lithium-ion batteries starting September 1, 2026, imposing 2% consumption tax rising to 4% a year later (September 1, 2027), while granting full exemptions through late 2028 to sodium-ion, solid-state and next-gen PV technologies. The cost impact is equivalent to about Rmb12,000/t ($1.78/kg) increase in lithium carbonate prices.
- Chinese battery production reached 206 GWh in June, up 7.5% MoM and reaching the highest level ever, above the previous peak of 201.1 GWh in December 2026. Total cumulative production YTD stands at 1,068.6 GWh up 53% YoY compared to the same period last year.
- Overall, China's lithium imports in June increased by 4.04% to 183kt LCE as the growth in spodumene imports more than offset the drop in lithium carbonate imports:
  - China's spodumene imports rose 12.9% month on month to 768,400 tonnes in June 2026 (corresponding to about 153.6kt LCE), led by Australia's 371,000 tonnes (up 12.3% MoM, 45.2% YoY), while Zimbabwe fell 42,000 tonnes from 64kt in May and 131kt in April. For the first half of 2026, total imports reached 4.434 million tonnes, up 26.9% year on year.
  - China's lithium carbonate imports dropped to 25,322t down 30% month-on-month (-11kt MoM) as imports from Chile decreased by 8,485t, down 35% MoM, following the June 12th report (link) that May 2026 exports from Chile decreased after higher exports between February 2025 and April 2025 were drawn from existing inventories which are now depleted.
  - China's lithium sulfate imports climbed to 13,500 tonnes (7.7kt LCE) in June, up 12% month on month with Chile supplying the bulk at 13,400 tonnes. Zimbabwe shipped its first bulk lithium sulfate cargo to China of just 100 tonnes following the lithium concentrate export bans in February and pressure on Chinese miners to build more domestic processing plants.

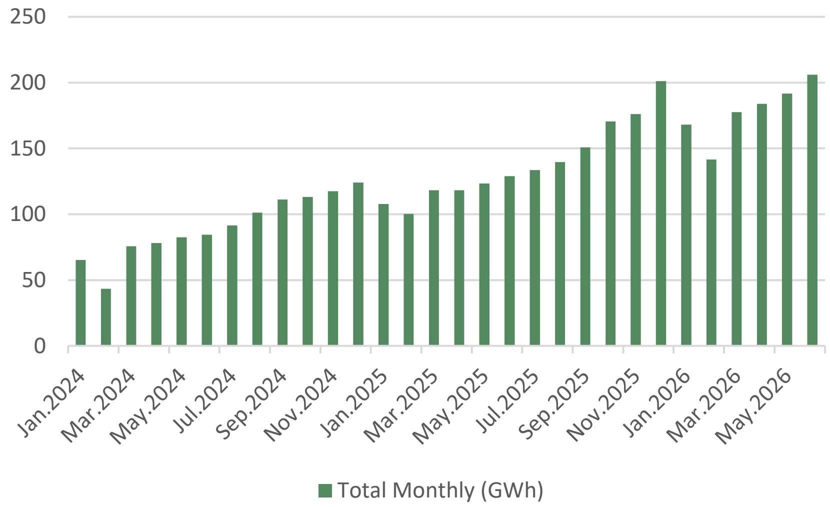
China Lithium Imports (t LCE)



China Lithium Carbonate Imports (t)



Chinese Battery Production (GWh)

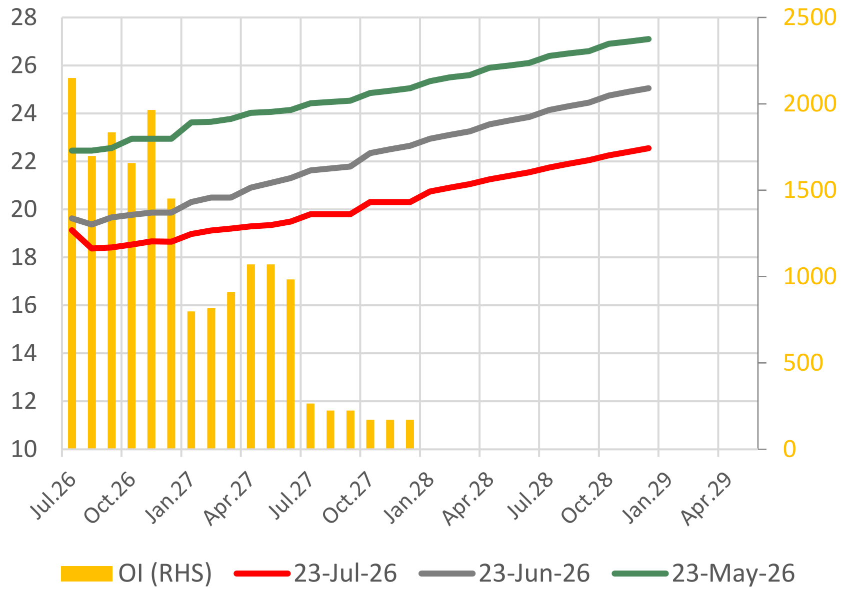


Sources: Mysteel, SMM, Trade Data, CnEV, Voltaire Minerals Analysis

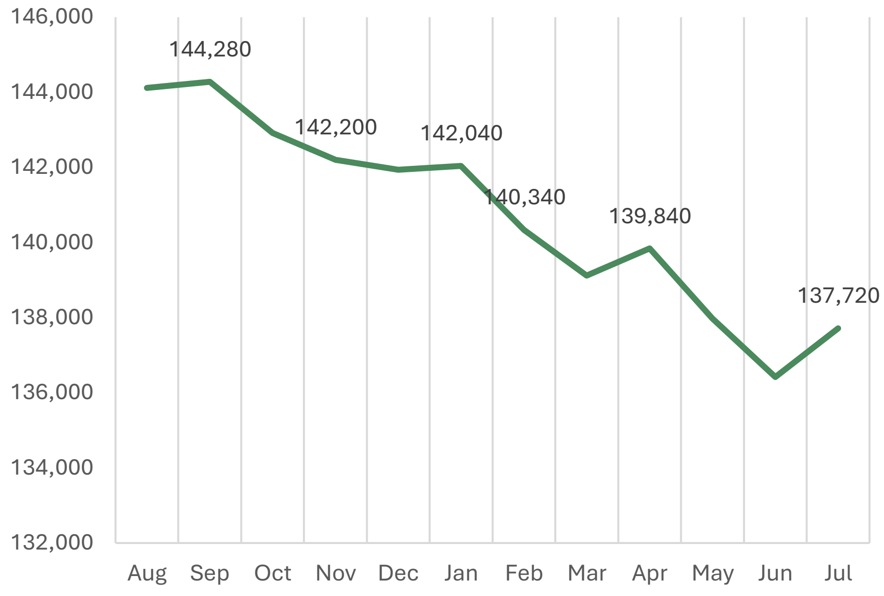
CME LiOH curve flattens; GFEX LC curve enters backwardation

- The CME LiOH futures curve saw a parallel shift down 4%-5% across the curve. The futures curve is now between 6% and 10% lower than it was a month ago with the back end falling more than the front causing the curve to flatten.
- The Aug26-Dec26 spread decreased to $0.28/kg C against $0.49/kg C one month ago.
- Trading activity for LiOH almost doubled this week with 4,198t traded in the last 5 trading days vs. 2,244t the previous 5 days.
- The GFEX LC2609 contract ended the week down 3.4% to Rmb144,280/t (equivalent to $18.95/kg 13% VAT excluded). The GFEX LC curve recorded a parallel decline with disproportionate weakness at the back end which pushed the curve into backwardation.
- SMM weekly social inventories continued to fall to 86,911t down 2,725t WoW accelerating the destocking which has decreased inventories by 55,507t since their peak of 142,256 on August 14th, 2025.

CME Lithium Hydroxide Forward Curve



GFEX Lithium Carbonate Future Prices (RMB/t)



Date	CME Lithium Hyd ($/kg)		W-o-W change (%)	M-o-M change (%)
Q3 26	$	18.64	(4.36%)	(5.87%)
Q4 26	$	18.62	(5.74%)	(7.62%)
Q1 27	$	19.10	(5.10%)	(7.83%)
Q2 27	$	19.38	(5.69%)	(9.01%)
Cal 26	$	18.63	(5.05%)	(6.76%)
Cal 27	$	19.65	(5.64%)	(8.87%)
Cal 28	$	21.65	(5.04%)	(9.79%)

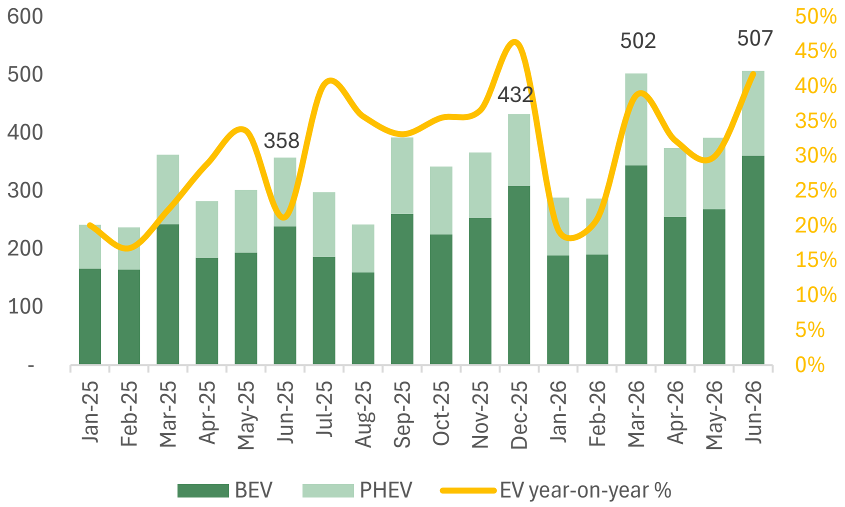
Date	Daily Inventory	Daily Volume	Open Interest	Price Change (%)	GFEX Price (RMB/t)	
24/Jul/26	39,879	259,198	367,838	0.00%	¥	145,000
23/Jul/26	40,334	259,198	367,838	1.19%	¥	145,000
22/Jul/26	40,865	282,781	370,958	1.19%	¥	143,300
21/Jul/26	41,023	270,848	375,185	-1.58%	¥	141,620
20/Jul/26	41,359	295,098	379,802	-4.16%	¥	143,900
17/Jul/26	40,345	222,081	385,010	-1.00%	¥	150,140

Sources: CME, GFEX, Voltaire Minerals Analysis

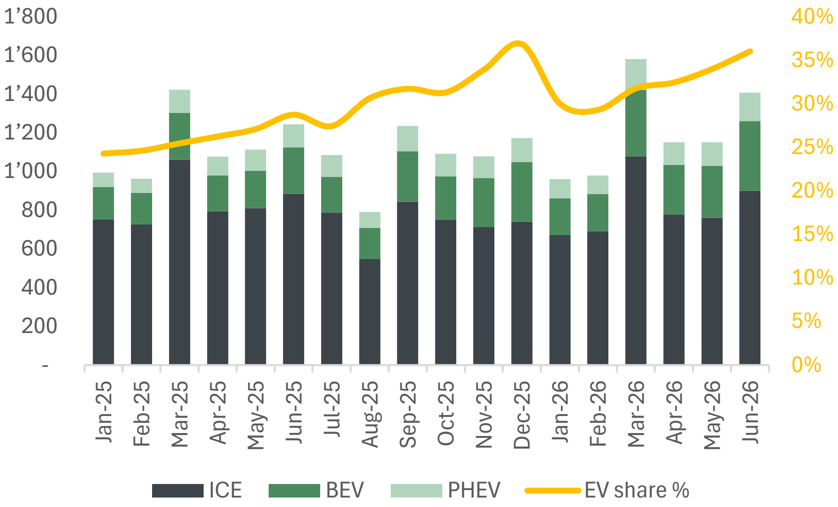
EU28* NEV market continues to grows to 507k units (36% market share), benefiting Chinese EV producers

- EU28* New Energy Vehicle (NEV) sales grew to 507,000 units, surpassing the previous high of 502,000 units in March 2026 and 41.8% higher than June of the previous year. The higher NEV sales have pushed EV's share of the total market up to 36%, just below the previous high of 37% set in December 2025. The rise is largely driven by fresh subsidy programs in France and Germany, the EU's largest BEV markets.
- The growth of the EV market in Europe has greatly benefitted Chinese manufacturers whose sales and investments in the region have grown tremendously. In June, Chinese brands accounted for over one third (34%) of new plug-in hybrid sales, 15% of full EV sales and 10% of the total vehicle market (ICE included).
- Geely announced on July 23rd they will use Ford's underused Almussafes plant near Valencia to build EVs, taking a 34% stake in a new joint venture (Ford holding 66%), with deliveries starting in 2028. The factory, currently running at under a quarter of its 450,000-unit capacity, will be upgraded to produce 500,000 cars a year, assembling three Ford multi-energy models and two Geely EVs.
- The development is the latest in a wave of Chinese automakers utilizing idle European capacity. Chery Automobile is partnering with Spanish firm Ebro to build cars at a former Nissan plant in Barcelona. Stellantis deepened its ties with Leapmotor (in which Stellantis holds a 21% stake) in early May, adding an EV production line at a Spanish factory previously reserved for petrol-powered Opel models. BYD, the world's largest EV maker, said in May it was in talks with Stellantis about using the group's idle assembly capacity to boost deliveries in markets like Italy. SAIC Motor, BAIC Motor and Xpeng are each either planning new production facilities in Europe or working with local partners to assemble vehicles there.

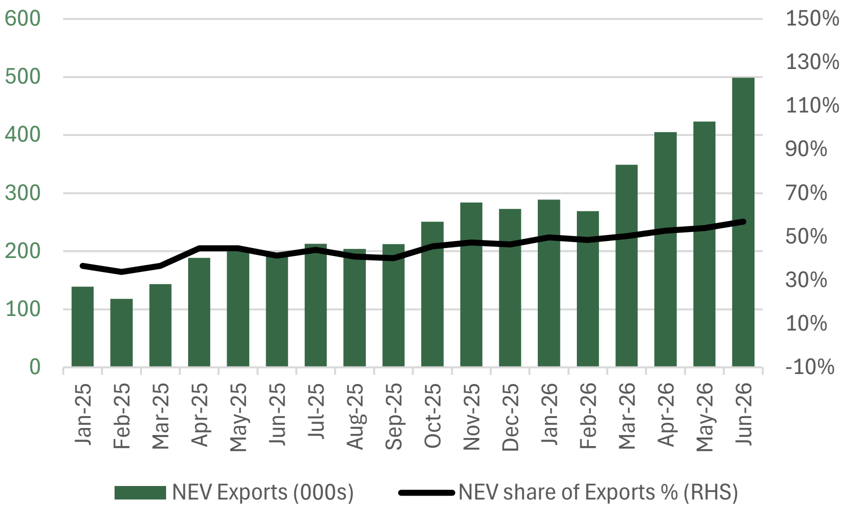
EU28* monthly EV sales



EU28* EV sales, growth and market share



Chinese Monthly NEV Exports



Source: CPCA, PFA, SMMT, KBA, UNRAE, ANFAC, Voltaire Minerals analysis.
**EU28: European Union + EFTA + UK*

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