For personal use only

ASX ANNOUNCEMENT

FOR IMMEDIATE RELEASE TO THE MARKET

Li-S Energy Limited – ASX Code: LIS

Tuesday, 18 November 2025

Chairman's Statement and CEO Presentation

Li-S Energy Limited (ASX: LIS) ("LIS" or "the Company") is pleased to provide the following which will be presented at the Company's Annual General Meeting today:

- Chairman's Statement
- CEO Presentation

Investors' attention is drawn to the power cell development on page 18 of this announcement.

This announcement has been authorised by the Board.

For further information contact:

Dr. Lee Finniear
Chief Executive Officer
Li-S Energy Limited
+ 61 (0)7 3054 4555

For personal use only

Li-S Energy AGM 2025
Chairman's Statement
AGM 18 Nov 2025

Introduction

Ladies and gentlemen, on behalf of the Board and the entire Li-S Energy team, I would like to welcome you to the 2025 Annual General Meeting of Li-S Energy shareholders.

My name is Ben Spincer, Li-S Energy's Chair, and I am delighted to be hosting the Annual General Meeting for Li-S Energy.

First, I would like to acknowledge the Traditional Owners of the lands on which we meet, the Turrbal and Jagera Peoples, and I pay my respects to their Elders past, present and emerging.

I would like to start by introducing the Li-S Energy team who are with me today. I am joined by my fellow Directors, Ms Hedy Cray, Mr Rick Francis and Managing Director, Dr Lee Finniear, who you will hear from shortly. I am also joined by the CFO Mr Andrew Davies, and the General Counsel and Company Secretary, Mr Will Shiel.

2025 Progress

In 2025 Li-S Energy (LIS) has accelerated its transition from a research-led battery business to an engineering-led manufacturer with ever greater insights from partners and end users influencing key decisions. Our fully commissioned Phase 3 facility in Geelong remains the core of our production capability, producing hundreds of cells each week for testing. The capability of the facility has been significantly augmented by the addition of the 3S production line for our smaller format cell manufacture and the installation of our lithium foil extruder, roller and laminator, funded in part by an Industry Growth Program grant.

To help achieve this, I must also recognise the support of my fellow Board members during the year Marc Fenton, Hedy Cray, Rick Francis, plus the efforts of the management team led by CEO and now Managing Director, Dr Lee Finniear, CTO Dr Steve Rowlands, Chief Strategic Advisor Glenn Molloy and from our industry advisory Board of Bob Galyen and Isobel Sheldon OBE. I also thank our previous CFO, Ms Sarah Price who stepped down in September and returned to her role in our long-term shareholder PPK and her replacement Mr Andrew Davies who stepped up from his previous role as Financial Controller.

Finally, PPK representative Mr Marc Fenton retired from the Board in February this year and I would like to thank him for his contributions. Marc was replaced by Mr Rick Francis, who stands for election by shareholders at this AGM. And finally, Ms Hedy Cray retires from the Board at the conclusion of this AGM. Hedy has been an invaluable colleague on the Board since before our IPO and has also chaired our Audit and Risk Committee since its inception, and I thank her very much for her contributions over the years.

For personal use only

Commercial Update

At the AGM last year I highlighted four key strategic objectives for the company over the next two years to build our commercial opportunities and shareholder value, namely:

1. Pathway to core revenue – through development of data sheets and test cells for partners and investment in battery pack development;
2. Additional funding and revenue streams – through targeting additional funding from Government Grants and revenue from new products such as lithium foils and laminates;
3. Strong partnerships with offtake agreements – once test cells are available, we will seek to evolve our end-user partnerships into conditional offtake agreements; and
4. A pathway to scale – offtake agreements and a proven manufacturing processes will allow us to develop options for the next scale of commercial facility and open up a range of licensing and funding models.

At the midpoint of that plan, we have seen significant development in 2025 across all four priorities. This is exemplified by today's announcement of a $7.8 million grant from ARENA to support both optimisation of our current manufacturing processes, and the development of a feasibility and front end engineering design plan to allow expansion of our capacity to full commercial scale over time. Coupled with the diversification into battery precursor materials such as lithium foil and lithium laminates, we are extremely well positioned for a range of growth opportunities.

We have continued to develop our core technology platform with a focus on scale manufacturing consistency to continuously improve cell performance plus our exciting work on a proprietary battery management system to increase our reach across the value chain.

Grant funding continues to be an important support for the business, with the ongoing Trailblazer and EATP programs augmented by Industry Growth Program funding to support our lithium foil manufacturing capabilities.

We have announced a number of new and significant commercial partnerships in the year and further developed existing partnerships. We have delivered full battery packs containing dozens of individual cells through our project with VTOL Aerospace. In March this year we also announced an exciting collaboration with the New Zealand high altitude drone manufacturer Kea Aerospace and we believe that their mature platform is ideal for the energy and power density of lithium sulfur cells. In June we also announced a collaboration with a major defense partner and in October we entered into a partnership with Praetorian Aeronautics that is developing an advanced anti-drone platform. It is a reality of the times we live in that our lightweight, ultra high energy batteries have garnered a huge amount of interest across the intersection between drones and defense industries.

Pathway to scale remains a major target for 2026, with a focus on transitioning existing collaboration partners to commercial offtake agreements and further development of plans for scaled up manufacturing, accelerated in part through the funding support provided by ARENA.

R&D Update

In 2025, our significant investment in R&D continues to bear fruit. In October 2024 we announced we had achieved a world-class 456 Wh/kg post formation energy density for a commercial sized 20Ah lithium-sulfur cell. We believe this is one of the highest energy densities of any commercially available cell and has sparked a huge amount of commercial interest.

For personal use only

Then in November we achieved a more tangible validation of our technology by achieving a first fixed wing drone flight powered by our Phase 3 cells. The 6S2P battery pack with 12 lithium-sulfur cells powered the drone for a total flight time of over 30 minutes.

Another important component of our R&D program is to optimise the use of boron nitride nanomaterials in our cells. With our new lithium extrusion and lamination technology in place we expected to accelerate the commercialisation of our unique nanomaterials IP over the next year to further improve the life of our cells.

Finally, with the improved quality control across both anode and cathode materials in recent months, we are excited by the new development of a high power battery that can sustain much higher discharge rates than our standard cells. We now have the opportunity to commercialise cells optimised for power, or energy, or durability, all within the inherently safe lithium sulfur chemistry.

Most of the lithium-sulfur R&D is now conducted in-house in Geelong under the guidance of CTO, Dr Steve Rowlands, but we continue to utilise and appreciate the ongoing support from the team at Deakin University, our long-term partner.

Shareholder Support

LIS values the continued support of its shareholders as we commercialise our innovative battery technology. One of our founding shareholders, PPK Group, reduced its holding in the year to just under 40%, deconsolidating LIS from its own accounts. We continue to have a close relationship with PPK Group, including their provision of financial and legal management support to us.

The capital raised at IPO has ensured that not only can the company fund its ongoing development work, but has also retained a healthy balance sheet in difficult economic conditions with $18.9m of cash and cash equivalents at the end of the 30 June 2025 financial year. This gives us the strategic flexibility to continue to invest in, and develop opportunities as they arise for a number of years, and has been instrumental in supporting our co-contributions to the various grants that we have been able to access.

Outlook

2025 has been another incredible year for LIS as we accelerate down the path to commercialise our world class lithium-sulfur battery technology. We have increasingly built our presence at global trade shows as our technology matures and this has seen a significant uptick in commercial interest that we expect to accelerate in 2026.

Our Phase 3 facility is a unique sovereign capability that will allow the rapid development of our cells and underlying manufacturing processes, and we are already working towards planning for a larger Phase 4 facility in the future. As we have said previously, we are not tied to a particular model to fund or develop this facility to ensure that we maximise returns for shareholders, and we will explore all avenues, including: greater Government support; licensing and joint venture options; and a range of project financing options. Implicit in development of these plans is our continued R&D work in parallel to continually improve our cell performance through novel manufacturing techniques and new IP and also our growing focus on customer requirements so we can progress from collaborations to commercial off-take agreements.

We look forward to keeping you informed on our progress as we move forward into 2026 and beyond.

Li-S Energy

2025 AGM

CEO Presentation

18 NOVEMBER 2025

personal use only

ersonal use only

DISCLAIMER

Li-S Energy

This presentation has been prepared by Li-S Energy Limited ("LIS" or the "Company") based on information available to it as at the date of this presentation. The information in this presentation is provided in summary form and does not contain all information necessary to make an investment decision.

This presentation does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any security in LIS, nor does it constitute financial product advice or take into account any individual's investment objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this presentation but must make its own assessment of LIS and conduct its own investigations. Before making an investment decision, investors should consider the appropriateness of the information having regard to their own objectives, taxation situation, financial situation or needs, and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances. LIS is not licensed to provide financial product advice in respect of its securities or any other financial products. Cooling off rights do not apply to the acquisition of LIS securities.

Although reasonable care has been taken to ensure that the facts stated in this presentation are accurate and that the opinions expressed are fair and reasonable, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of LIS, its directors, officers, employees and agents, nor any other person, accepts any responsibility and liability for the content of this presentation including, without limitation, any liability arising from fault or negligence, for any loss arising from the use of or reliance on any of the information contained in this presentation or otherwise arising in connection with it.

The information presented in this presentation is subject to change without notice and LIS does not have any responsibility or obligation to inform you of any matter arising or coming to their notice, after the date of this presentation, which may affect any matter referred to in this presentation.
The distribution of this presentation may be restricted by law and you should observe any such restrictions.

Forward looking statements
This presentation may contain certain forward-looking statements that are based on the Company's managements' beliefs, assumptions and expectations and on information currently available to management. Such forward looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results or performance of LIS to be materially different from the results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the political and economic environment in which LIS will operate in the future, which are subject to change without notice. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecasts.

TODAY'S NEWS …

Today ARENA awarded a $7.8M Grant to Li-S Energy….

It is a major endorsement of the Company's strategy by the Federal Government ….

More to follow later in the presentation ….

ersonal use only

Our **Two-Year** Strategic Objectives
(2025-2027)

PATHWAY TO CORE REVENUE

- Revenue from battery cell sales
- Consulting revenue
- Licensing revenue

ADDITIONAL FUNDING AND REVENUE STREAMS

- Federal and State Grants
- Li-foil sales & related services

STRONG PARTNERSHIPS WITH OFFTAKE AGREEMENTS

- Partners testing and trialing our battery cells and BMS
- Conditional offtake subject to successful trials

PATHWAY TO SCALE

- Clear, professional plan
- Feasibility Study
- JV & Strategic Partner engagement
- Potential Financing

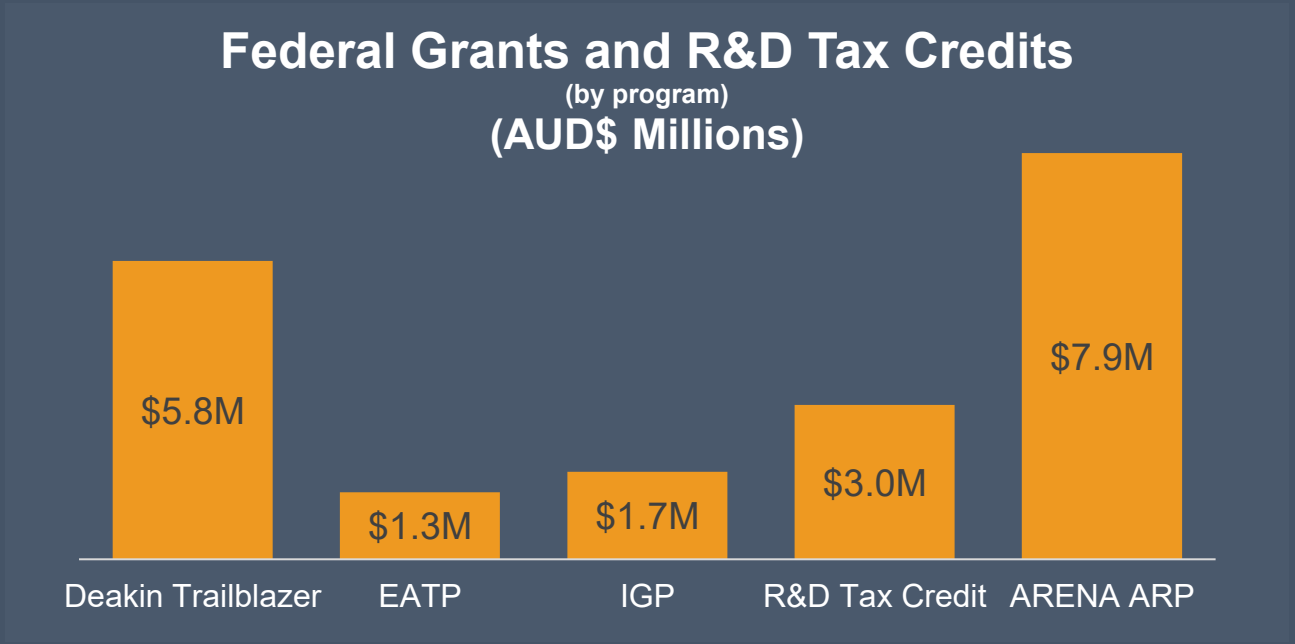
ersonal use only

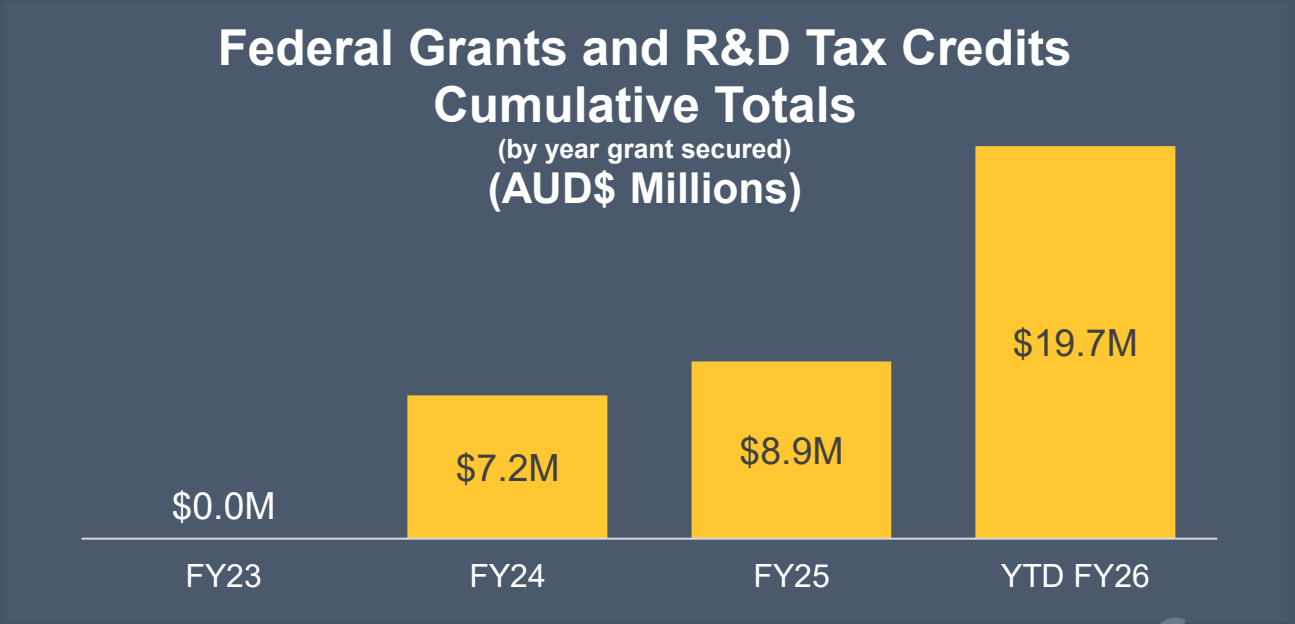
Financial Snapshot

- Significant investments in capital infrastructure and battery development programs.
- Secured $19.7M in federal grants and funding, with $12.9M of the funds yet to be received.
- Maintaining a prudent approach to cash management.

Financial Assets as at 30 June 2025	
Cash	$14.9M
Interest bearing Investments	$2.0M
Interest bearing loans receivable	$2.0M
Total as at 30 June 2025*	**$18.9M**

* Total as at 30 September 2025 was $16.4M



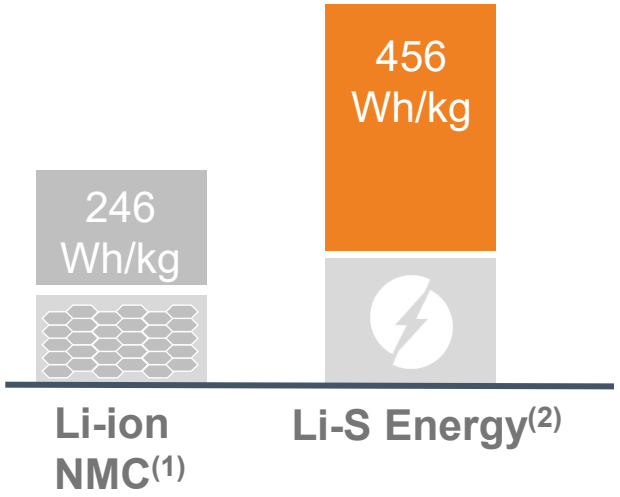


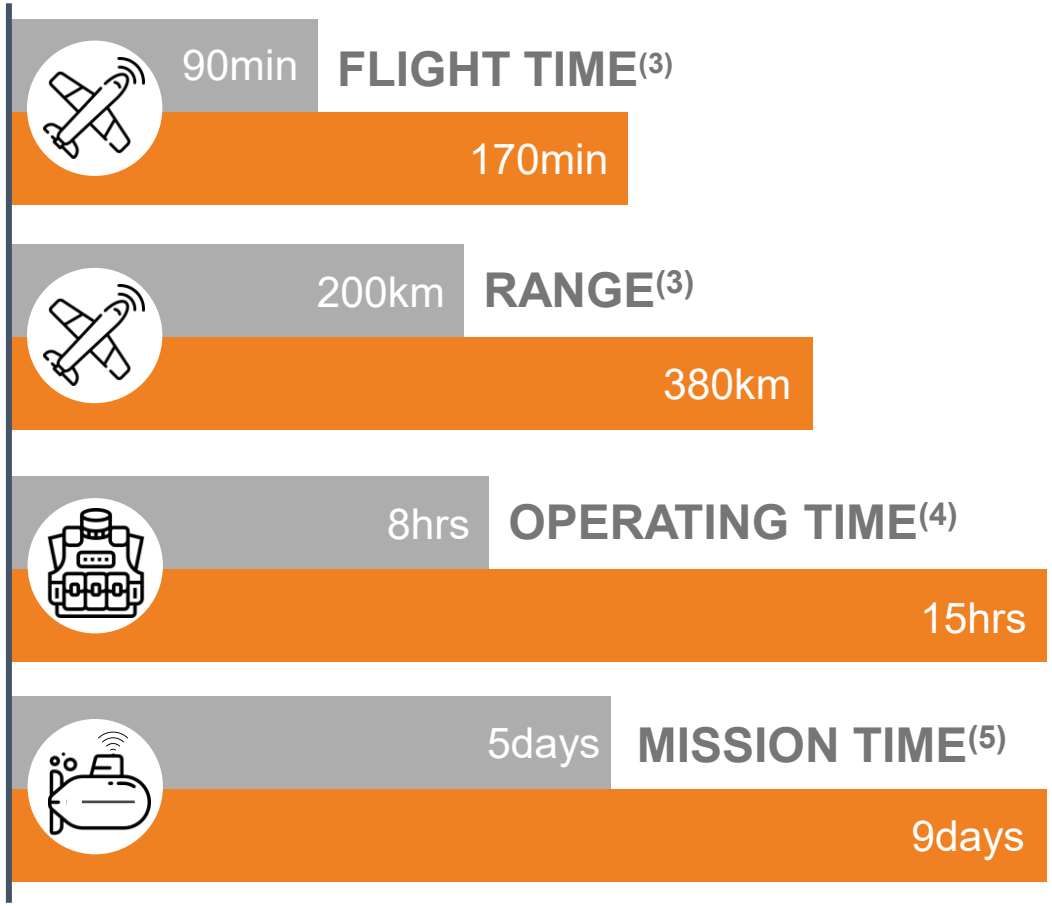
ersonal use only

Performance Advantages

Li-S Energy's lightweight batteries deliver extended range and operating times

Energy Density Advantages





Typical expected performance advantages for the same battery weight

1) Compared to Panasonic NCR18650BF – a typical example of a high energy density lithium-ion battery
2) Actual 20Ah Li-S Energy battery cell energy density measured by Li-S Energy after formation cycling (initial discharge reached 496 Wh/kg)
3) Flight time & range – fixed wing long endurance drones, estimated based on increase in available energy stored in the same weight of battery pack, plus initial battery pack testing
4) Operating time – conformal wearable batteries, illustrative operating time estimate based on same weight carried, alternative configuration reduces weight for same operating time
5) Mission Time – estimate based on operation of large unmanned underwater vehicles for the same weight of batteries – alternative configurations reduce weight for similar mission times

ersonal use only

Markets & **Prospects**

personal use only

	HORIZON 1		HORIZON 2	HORIZON 3
	DRONES	DEFENCE	HEAVY EV TRANSPORT	E-AVIATION
ADVANTAGE:	✓ Twice the range ✓ Twice the flight time ✓ More payload	✓ Half the weight ✓ Safer ✓ Twice the range & flight time	✓ Lighter & safer ✓ Lower axle weights ✓ Longer range ✓ More payload	✓ Twice the range ✓ Safer ✓ More payload
BATTERY MARKET SIZE:	USD$42 Billion by 2034 [1]	USD$2.7 Billion by 2030 [2]	USD$85 Billion by 2040 [3]	USD$35 Billion by 2050 [4]
KEY PARTNERS:	• Boeing • VTOL Aerospace • Kea Aerospace	• Boeing • Praetorian Aeronautics • Others under NDA	• Janus Electric	• Magnix Aero
APPLICATIONS:	• Uncrewed Air Systems • Uncrewed Ground Vehicles • Uncrewed Underwater Vehicles • Uncrewed Sea Vehicles • Marsupial Systems	• All Drone Applications (left) • Soldier Wearable Systems • Communication Systems • Lightweight Power Systems	• Long range HEVs • Mining Vehicles • Agricultural Vehicles	• Fixed Wing Regional Passenger • Fixed Wing Regional Freight • Uncrewed Air Systems
MARKET PRICE:	$$$$[5]	• $$$[5]	• $[5]	• $$[5]

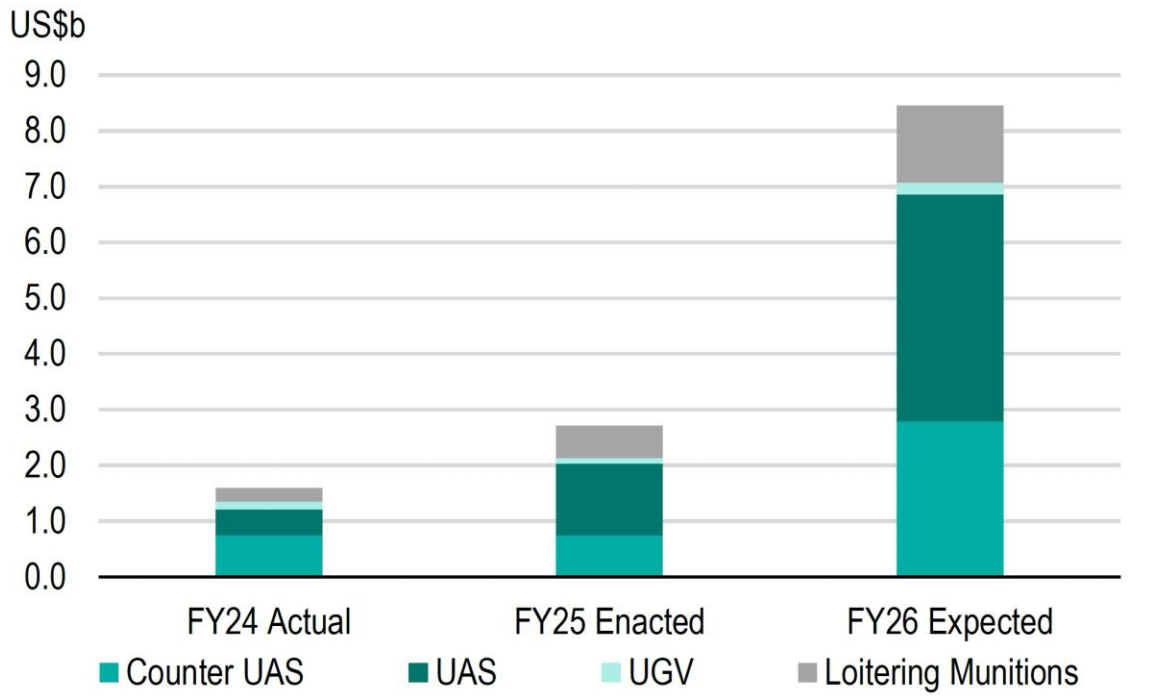
1. Drone Battery Market Size to Attain USD 42.32 Billion by 2034
2. Military Battery Market Size, Share & 2030 Growth Trends Report
3. https://www.strategyand.pwc.com/de/en/industries/transport/truck-study.html
4. icas2024_0636_paper.pdf
5. Based on internal analysis of market feedback

Global Geopolitics Driving **Drone Demand**

ersonal use only

- **US Demand -** US Bill - SkyFoundry Act 2025 targets 1 million drones per year production
- **EU Demand** – Interceptor drone systems across Europe for the "European Drone Wall"[2]
- **Battery Materials Restrictions**– Major interruptions to global battery material supply chains, affecting high energy density battery production worldwide[3]
- ***Without battery cells - drones don't fly***
- Li-S cells contain no nickel, cobalt or graphite - supply that has been heavily restricted.
- **Perfect Storm** - Massive increase in demand plus major supply constraints creates a substantial opportunity for LIS Energy's sovereign battery manufacturing

US Govt. drone budget allocation growth



SOURCE UNDER SECRETARY OF DEFENSE

1. US Bill - SkyFoundry Act 2025
2. Ursula von der Leyen Speech to EU Parliament 8 October 2025
3. China MOFCOM Decision No. 58 of 2025

Strong Industry **Engagement**

DSEI UK

INTERNATIONAL PARIS AIR SHOW

ambc
Advanced Materials and Battery Council

INDO PACIFIC
INTERNATIONAL MARITIME EXPOSITION

AUSA 2025
ANNUAL MEETING & EXPOSITION
13-15 OCTOBER | WASHINGTON, DC
A Professional Development Forum

SeaAirSpace 2024

2024 LandForces
INTERNATIONAL LAND DEFENCE EXPOSITION

2025 SOF WEEK
TAMPA, FL 5-8 MAY

AVALON
AUSTRALIAN INTERNATIONAL AIRSHOW

11th Workshop
Lithium-Sulfur Batteries
November 11 – 12, 2024
Fraunhofer IWS | Dresden

SOLID-STATE BATTERY SUMMIT

FUTURE SOLDIER TECHNOLOGY
11-13 March 2024 | London, UK
The world's leading conference dedicated to soldier modernisation

ersonal use only

Pegasus Long Endurance Drone

- Target markets mapping, surveillance, agriculture, mining & exploration, security
- Partners: V-TOL Aerospace & Halocell
- Co-funded by Federal Government through a $1.3M Emerging Aviation Technology Partnership (EATP) grant
- Progress: LIS Battery Packs and BMS built and in ground testing – Airframe complete and flight tested

Commercial Drone Partners

Kea Aerospace High Altitude Platform Station (HAPS)

- Target markets: telecommunications, maritime surveillance, mapping, agriculture, security & defence,
- Targeting multi-month flight times for persistent Intelligence, Surveillance, and Reconnaissance and communications without the need for satellites or expensive air systems.

ersonal use only

Praetorian Aeronautics

- Counter-UAV interceptor drone system
- Protects lives & infrastructure from hostile UAVs
- Li-S batteries expected to extend range, flight time and increase payload
- Praetorian is targeting 10,000 units per year production

New Unmanned Systems Partners

Multi-national Defence Prime

- Unmanned air & land systems
- Soldier wearable technologies
- Li-S cells to be provided for tests and trials for multiple products that are currently being supplied to governments worldwide.

ersonal use only

Our **4 Pillar Strategy** mirrors strategic partner requirements

personal use only

PERFORMANCE

- Highest energy density possible
- Sufficient power for application
- Sufficient cycle life for application
- Safety benefits and standards adherence

PRODUCTION

- Produce reliable high-quality cells in volume
- Prove automated manufacturing that can scale
- Deliver industry standard performance testing

PRODUCT INTEGRATION

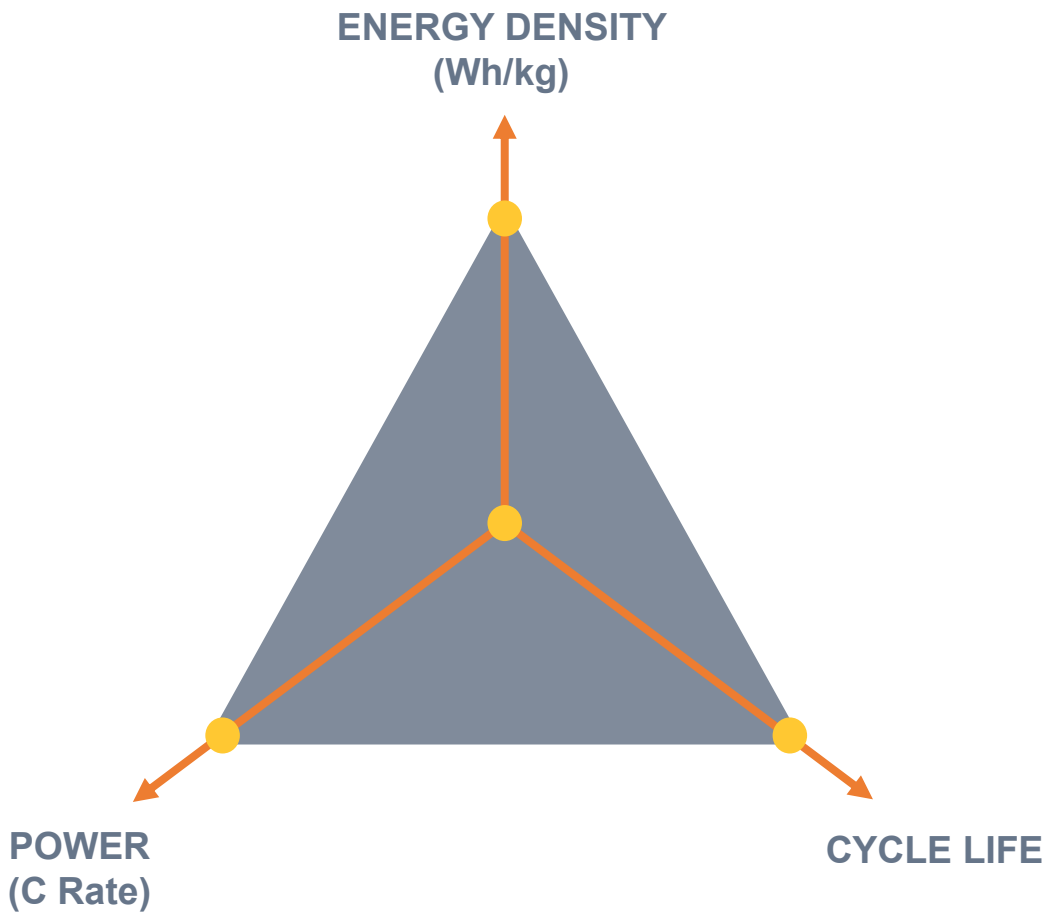
- A battery management system (BMS) & pack
- A team to assist with pack design and integration

PATHWAY TO SCALE

- Show a credible path to scale cell production over time as demand grows
- Demonstrate robust manufacturing processes and risk mitigation to enable rapid scaling

Driving **Cell Performance**

Objective: minimise weight while increasing Power & Cycle Life

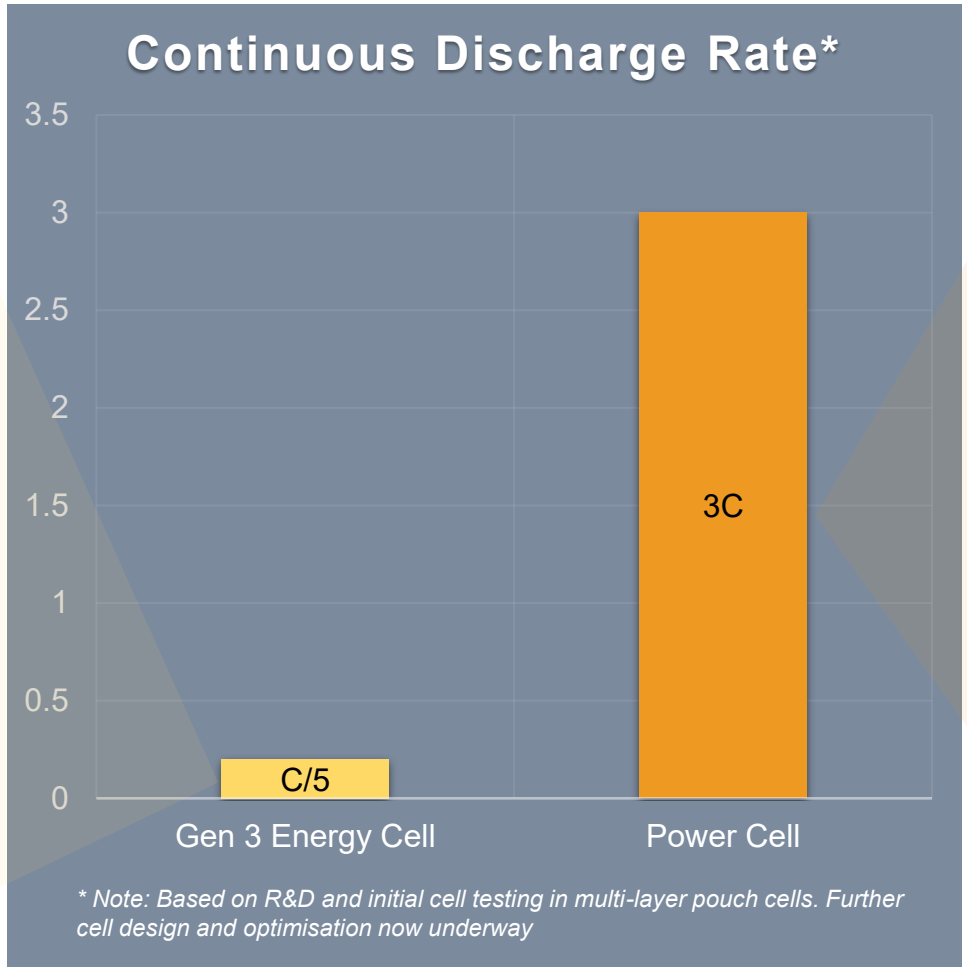


ersonal use only

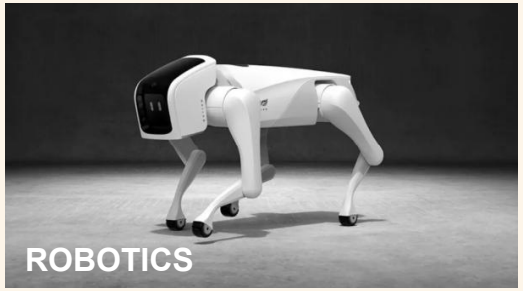
NEW **Power** Cell Development

Engineering to 15 times the discharge power of a standard Li-S cell

ENERGY CELL APPLICATIONS



POWER CELL APPLICATIONS



*Power Cell is still undergoing testing & optimisation

ersonal use only

Australia's **First** Lithium Foil Production

A critical material for advanced batteries

- **Australia's first** lithium metal foils
- **Delivered ahead of schedule** under a $1.76M matched funding grant from the Industry Growth Program (IGP).
- **Establishes new sovereign manufacturing capability**, supporting Australian battery supply chain resilience for both commercial and defence applications.
- **Eliminates reliance on imported lithium foils**, reducing cost, delays and quality risks.
- **Enables tighter control** over foil purity and thickness, improving cell performance and production throughput.
- **Positions LIS for revenue opportunities** in global markets seeking high-purity lithium foil.

ersonal use only

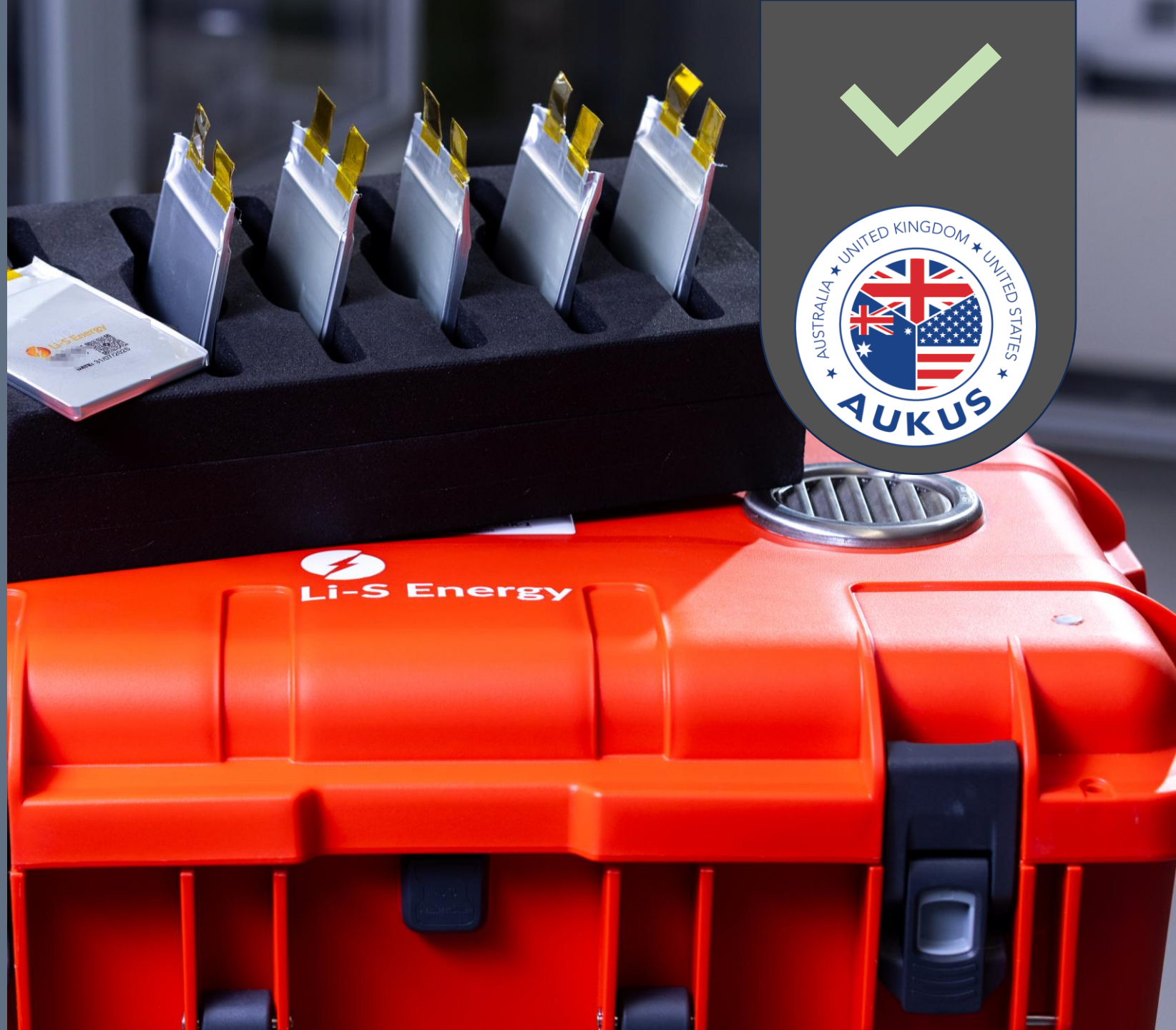
Production Video

ersonal use only

Cell Testing
& Delivery

- **Cells ready to ship & partners ready to test**

- Waiting for CASA Approval to ship prototypes by air under IATA A88 exemptions
- LIS AUKUS Membership approved by Australia & US State Department
- UN38.3 testing in progress on 10Ah Li-S cells to enable regular shipment in volume going forward.



ersonal use only

Pathway to Scale

For personal use only

	PHASE 3	PHASE 4A	PHASE 4B	PHASE 5
	2MWH PRODUCTION LINE	**DESIGN - 500MWH+ MANUFACTURING PLANT**	**BUILD - 500MWH+ MANUFACTURING PLANT**	**10GWH+ GIGAFACTORY (5+ YEARS)**
ACTIONS	• Automated manufacture to build and test trial battery cells and develop process IP to manufacture at scale and produce A sample cells • BUILT AND COMMISSIONED	• Commenced manufacturing line design • Progressing Govt & private sector discussions to secure location & support for manufacturing plant • Identifying manufacturing partners	• Secure suitable manufacturing partners & suppliers • Acquire project finance or strategic partner • Build facility • Deliver cells to commercial customers • Licensing / JV model also under consideration	• Licensing / JV model • Battery manufacturer completes 10GWH+ battery production line for Li-S Energy batteries • Li-S Energy as JV partner and/or supplying nanomaterials and with a revenue share
COMMERCIAL	• Established representative collaboration partners in each target industry	• Accumulate additional significant collaboration partnerships with product OEMs in target industries • Sell test battery cells produced in the Phase 3 facility for partner testing • Sell Phase 3 battery modules for extended OEM trials	• Secure conditional offtake agreements • Deliver B, C & D sample cells to offtake partners • Phase 4 targeting commercial cell delivery with positive cash flow	• Establish commercial relationship with existing battery manufacturer • Li-S revenue expected from nanomaterial sales, plus % of total battery sales revenue

Phase 4 Scale Up FEED Program

Co-funded by ARENA

STAGE 1
"Investment Ready"

FEL 1
FEASIBILITY STUDY
Initial concept designs & costings

Manufacturing Optimisation	
Cathode Production Expected to substantially improve cathode production rate	**Anode Production** Expected to enhance anode cutting, coating and production rate & quality at scale
Cell Fabrication Expected to optimise cell fabrication throughput rates & further enhance reliability	**Waste Management & Recycling** Expected to improve waste handling & reduce cost

DELIVERABLES

High level design, costing and production throughput enabling preparation of a detailed business case for project financing

STAGE REVIEW
& PROJECT FINANCING ACTIVITIES

STAGE 2
"Shovel Ready"

FEL 2
INITIAL FRONT END ENGINEERING DESIGN

Preliminary design of all systems, production processes, infrastructure & IT

FEL 3
DETAILED FRONT END ENGINEERING DESIGN

Building on FEL2

Full detailed designs and drawings able to be supplied to potential contractors for tendering purposes

DELIVERABLES

Detailed design package ready to put out to tender for construction and site selection with permitting underway.

ersonal use only

Indicative parameters for the Phase 4 facility

- Phased development up to 1GWh scaling as demand grows
- 20,000sqm factory
- 50,000sqm site
- Can leverage existing lithium-ion manufacturing processes
- 200 – 300 personnel
- Location agnostic – decision to be based on Federal & State Government support, plus input economics

ersonal use only

KEY TAKEAWAYS

Markets & Partners

Drone and Defence markets growing exponentially
New partners engaged and more in the pipeline.

Technology

World leading lightweight lithium sulfur cells
Power cell technology should expand global opportunity

Production & Delivery

Proven ability to manufacture
Phase 4 planning underway
AUKUS approved
Cells ready for delivery, subject to regulatory approvals.

Financial Management

$18.9M at 30 June 2025 plus $12.9M in confirmed grants and R&D tax credits yet to be received
Strong financials to drive business forward

THANK YOU

ersonal use only

Li-S Energy

CONTACT DETAILS

DR LEE FINNIEAR
Managing Director
info@lis.energy

BEN SPINCER
Chairman
info@lis.energy

www.lis.energy