

ASX ANNOUNCEMENT**FOR IMMEDIATE RELEASE TO THE MARKET****Li-S Energy Limited – ASX Code: LIS****Tuesday, 17 February 2026****LI-S ENERGY RECEIVES FIRST \$1.9 MILLION ARENA FUNDING TRANCHE AND APPOINTS HATCH FOR PHASE 4 FEL-1 STUDY TARGETING 1 GWH FACILITY**

Li-S Energy Limited (“Li-S Energy” or “the Company”) is pleased to announce it has received the first \$1.9 million tranche of funding under its previously announced \$7.8 million grant awarded by the Australian Renewable Energy Agency (ARENA) under the Advancing Renewables Program (ARP).

The Company also confirms the appointment of Hatch as engineering consultant to deliver the Phase 4 Front-End Loading (FEL-1) feasibility study for Li-S Energy’s large-scale lithium-sulfur battery manufacturing facility. The proposed facility is intended to be developed in stages, targeting up to 1 GWh per annum of production capacity.

The Phase 4 FEL-1 feasibility study will define the early-stage technical, infrastructure and commercial framework required to support a credible manufacturing scale-up pathway beyond Li-S Energy’s existing Phase 3 automated production line in Geelong, Victoria.

The Company expects that independent engineering-led project definition will be a key enabler for customer adoption and future offtake agreements, particularly across defence, drone and aerospace markets where secure supply chains and scalable manufacturing capability are critical.

Comments from Dr Lee Finniear, CEO and Managing Director

Dr Finniear said: “We are pleased to have received the first \$1.9 million tranche of ARENA funding under the Advancing Renewables Program. This funding supports the critical engineering work required to progress our Phase 4 manufacturing scale-up pathway toward large-scale production readiness.

The appointment of Hatch is an important step, bringing demonstrated global battery manufacturing expertise and relevant FEL study execution experience, including work across gigafactory-scale battery projects and lithium-sulfur chemistry.”

This announcement has been authorised by the Board.

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About Li-S Energy:

Li-S Energy (ASX: LIS) is commercialising next-generation lithium-sulfur and lithium-metal battery cells with more than double the energy density of traditional lithium-ion batteries. Its technology - incorporating BNNTs and Li-Nanomesh™ - is designed for high-performance sectors such as drones, electric aviation, and defence. Visit: www.lis.energy

