

**ASX ANNOUNCEMENT
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Li-S Energy Limited – ASX Code: LIS

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**LI-S ENERGY BATTERY POWERS NEAR TWO HOUR ENDURANCE
FLIGHT OF EATP PEGASUS DRONE**

The Pegasus long endurance drone, developed by Li-S Energy, V-TOL Aerospace and Halocell Energy, completes a successful series of test flights over Queensland

Key Highlights:

- The EATP Pegasus long endurance drone completed several successful test flights in Queensland, culminating in an endurance flight of almost 2 hours covering more than 75 kilometres, on a single Li-S Energy battery pack.
- The endurance flight met expected flight performance and landed safely with battery capacity to spare.
- On a same cell weight basis, the Li-S Energy cells delivered 80% more range and flight time than would have been achieved by an equivalent high-performance professional lithium polymer UAV battery pack[#]
- The Pegasus drone comprises V-TOL Aerospace's airframe, Li-S Energy's lithium sulfur battery system, and Halocell Energy's perovskite solar array.
- Designed to accommodate two Li-S Energy battery packs, in due course Pegasus is expected to deliver flight durations of 5-8 hours, and 250 kilometres, ideal for long endurance mapping, surveillance, and agricultural, utilities and environmental monitoring missions.
- Demand for drones is growing exponentially across commercial and defence markets, with proposed US and Australian government investment in drone and counter-drone technologies now exceeding A\$100 billion¹.
- Following this success, the collaboration partners intend to assess further commercial development, targeting future platform sales.
- **See a one-minute video of the flight here:** <https://lis.plus/EATP>

Li-S Energy Limited (ASX: LIS) ("Li-S Energy", "LIS" or "the Company") is pleased to announce that Pegasus, the long endurance drone developed under the Emerging Aviation Technology Partnership (EATP) programme, has completed a series of successful test flights in Queensland, culminating in endurance flight of almost 2 hours, powered by a single Li-S Energy lithium sulfur battery pack.

¹ Li-S Energy 2026 Annual Report – Managing Directors Report

The twin motor, five-metre wingspan Pegasus was designed and built from the ground up through the collaboration of three innovative Australian companies. It combines an airframe and power systems designed and developed by V-TOL Aerospace (V-TOL), the 382 Wh lithium sulfur battery packs and battery management system designed and built by Li-S Energy, and a perovskite solar cell array fabricated by Halocell Energy (Halocell).

As announced in June 2024, the project is supported by a grant of just over \$1.35 million from the Commonwealth Government under the EATP programme, matched by the collaboration partners. The collaboration is targeting the development of a family of long endurance surveillance drones powered by Li-S Energy batteries. This flight marks the culmination of the EATP project and the successful completion of its practical development and flight test work.



The EATP Pegasus in flight over Queensland, with the Halocell perovskite solar arrays visible along the wings

Milestone flight testing

The flight test programme comprised several flights, culminating in an endurance flight of almost 2 hours on a single Li-S Energy battery pack. The aircraft met its expected flight performance throughout and landed safely with battery capacity to spare.

The Li-S Energy battery system enabled sustained cruise flight of more than 75 kilometres, with the Company's battery management system integrated with V-TOL's power management system controlling the battery power for the twin motors and control systems, while being capable of simultaneously managing the feed-in from the solar array.



The Li-S Energy lithium sulfur battery pack being installed in the Pegasus fuselage ahead of flight testing

The Pegasus was designed to accommodate two Li-S Energy battery packs, and with the latest improvements to Halocell's solar array performance beyond those fitted to the current airframe, we expect the platform to be capable of flight missions of five to eight hours and 250 kilometres, ideal for long endurance mapping and surveillance, and for agricultural, utilities and environmental monitoring missions.

The flight data will now be analysed by the partners to characterise platform performance and inform the assessment of the platform's commercial potential.

Toward commercial development

Demand for long endurance uncrewed aircraft continues to grow rapidly across commercial and defence markets, and both endurance and sovereign supply are decisive competitive strengths. With their integrated technologies now proven in flight, the collaboration partners intend to capitalise on this market potential.

Li-S Energy filed two patent applications to protect innovative developments during the project relating to the battery management system and battery pack design.



Final Preparations for Flight – Pegasus on its launch ramp just prior to take off

Quotes

Dr Lee Finniear, Chief Executive Officer and Managing Director of Li-S Energy, said:

“With the exponential growth of drones and uncrewed systems in both commercial and military applications, flight endurance and sovereign capability are critical to Australia’s future in this sector. Today, with our partners, we have shown what Australian innovation and collaboration is capable of. The EATP Pegasus drone is the result of two years of work by the teams from V-TOL Aerospace, Halocell and Li-S Energy, proving that Australia has the sovereign capability and the unique technology to be leaders in this field.”

Mark Xavier, Managing Director and Chief Executive Officer of V-TOL Aerospace, said:

“The Pegasus flew exactly as our team designed it to. Our airframe and power systems performed faultlessly throughout the flight, and pairing them with Li-S Energy’s new lightweight pouch cell battery system gives the platform an endurance advantage operators will immediately recognise. I am proud of what our engineers have delivered, and our focus now turns to the pathway from successful trials to commercial platform sales.”

Paul Moonie, Founder and Chief Executive Officer of Halocell Energy, said:

“Seeing our ultra-lightweight perovskite cells take to the air on the Pegasus is a proud moment for the Halocell Energy team, whose skill in fabricating flexible solar modules for such a demanding application has been outstanding. Each flight builds the data and experience we need as we continue to develop higher output modules for aerospace applications, and we are delighted to stand alongside Li-S Energy and V-TOL Aerospace in an all-Australian collaboration delivering this platform.”

The companies acknowledge the support of the Commonwealth Government through the EATP programme as instrumental in bringing the project to this success.

The Company will keep the market informed of material developments in accordance with its continuous disclosure obligations.

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

Ben Jarvis
Six Degrees Investor Relations
+61 (0) 413 150 448
ben.jarvis@sdir.com.au

About Li-S Energy:

Li-S Energy Limited (ASX: LIS) is an Australian developer of next-generation lithium sulfur battery cells that offer around twice the energy density of conventional lithium-ion. Using proprietary IP and advanced nanomaterials including boron nitride nanotubes (BNNTs) and Li-Nanomesh™, it builds lighter, more efficient energy storage for defence, drones and aviation, where weight is critical. www.lis.energy

About V-TOL Aerospace:

V-TOL Aerospace is a Brisbane-based Australian aerospace company specialising in the design, manufacture and operation of unmanned aircraft systems and intelligent robotic technologies for commercial, government and defence applications. Visit: www.v-tol.com

About Halocell Energy:

Halocell Energy is an Australian solar technology company producing next-generation perovskite solar cells using an advanced roll-to-roll manufacturing process at its facility in Wagga Wagga, New South Wales. Visit: www.halocell.energy

Cell level comparison based on the 1.1 kg of lithium-sulfur power cells (382 Wh) flown in the endurance flight. Reference: Tattu 16000 mAh 6S lithium polymer battery (355 Wh, approximately 1.85 kg, around 192 Wh/kg), one of the most widely used commercial batteries for large professional UAVs. Excludes weight of pack housing and BMS in each case and assumes flight time scales linearly with cell energy.