ASX ANNOUNCEMENT

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Li-S Energy Limited – ASX Code: LIS

Thursday, 5 November 2026

LI-S ENERGY CELLS SUCCESSFULLY OPERATE AT 1,000 METRE DEPTH PRESSURE IN MSUBS UUV TESTS

Lithium-sulfur cells successfully complete repeated simulated dives to 1,000 metres, opening the pathway to the rapidly growing Uncrewed Underwater Vehicle (UUV) market

Key Highlights:

- Li-S Energy 10 Ah lithium-sulfur cells successfully completed repeated pressure cycles equivalent to diving to 1,000 metres and returning to the surface.
- MSubs designs and builds crewed and uncrewed underwater vehicles for the UK Ministry of Defence, the US Navy and US Special Operations Command.
- No mechanical damage, swelling, leakage or mass loss was observed, and cell voltage remained stable throughout testing and 24 hours afterwards.
- Agreed next steps are pressure vessel testing at greater depths, charging at depth and thermal operating profiles, then targeting a trial battery pack on a dive mission on a UUV in open water
- These test results unlock the key advantages that Li-S Energy cells offer to UUV platforms in this rapidly growing multi-billion dollar market.

Li-S Energy Limited (ASX: LIS) ("Li-S Energy", "LIS" or "the Company") is pleased to announce that its lithium-sulfur cells have successfully completed pressure testing equivalent to a depth of 1,000 metres (100 bar), under the Company's collaboration with UK undersea systems specialist MSubs Limited ("MSubs") announced in December 2025.

This result is a breakthrough for Li-S Energy and the first of its kind for the Company's cells.

The objective of the programme was to evaluate the suitability of Li-S Energy's cells to power large Uncrewed Underwater Vehicle (UUV) applications by exposing them to pressure profiles representative of UUV operating conditions.

Testing was conducted in an MSubs pressure vessel, commissioned at the Company's Battery Testing Centre in Geelong during the June 2026 quarter. The test report has been delivered to and accepted by MSubs, which has expressed its satisfaction with the outcome and its intention to continue the assessment with Li-S Energy. Details of the testing programme and results are in the attached Appendix.

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MSubs and the collaboration

MSubs, headquartered in Plymouth in the United Kingdom, is internationally recognised for the design and manufacture of high-performance crewed and uncrewed underwater vehicles for defence and commercial customers.

It has developed platforms for the UK Ministry of Defence, including XV Excalibur, the Project CETUS extra-large uncrewed underwater vehicle (XLUUV) handed over to the Royal Navy in December 2025, and for the US Navy and US Special Operations Command, with capabilities spanning tactical to extra-large autonomous systems.

The collaboration, announced in December 2025, is directed at evaluating the Company's lithium-sulfur technology for large-scale propulsion battery systems in MSubs' extra-large UUV platforms. Pressure testing was the first key phase of the assessment process, establishing whether Li-S Energy's cells can operate at UUV depths.



Designed and built by MSubs under the UK MoD Anti-Submarine Warfare Spearhead programme's Project Cetus, this battery powered extra-large uncrewed underwater vehicle was formally named XV Excalibur during a ceremony at His Majesty's Naval base Devonport on 15 May 2025. [Crown Copyright]

The UUV opportunity

This successful result shows Li-S Energy cells are pressure tolerant for use in deep UUV applications,

It unlocks the key advantages of Li-S Energy cells for UUVs: around twice the energy density of lithium-ion, lower weight and near-neutral buoyancy without the need for heavy pressure containment or extensive buoyancy foam in the design. Li-S Energy's lithium sulfur cells also charge and discharge at a temperature of 5°C and are thus able to operate at representative subsea temperatures.

For a vehicle whose mission is defined by how long it can stay submerged, every kilogram and every watt-hour counts, and Li-S Energy's cells now have a credible case for the largest battery systems in the UUV fleet.

The market is growing fast. Navies in Australia, the United Kingdom and the United States are all fielding extra-large UUVs, with Australia alone committing A$1.7 billion to its Ghost Shark programme in 2025, and every one of these vehicles carries a large battery system. The same requirements apply to commercial UUVs for subsea inspection, offshore energy and seabed survey. Success with MSubs positions Li-S Energy for the whole sector, not just one platform.

Quotes

Dr Steve Rowlands, Chief Technology Officer of Li-S Energy, said:

> "This is a result the whole team is proud of. The pressure at 1,000 metres is one of the hardest environments you can ask a battery cell to work in. Our cells did not just survive it, they kept delivering propulsion current through repeated dives and came back to the 'surface' undamaged, with no change in mass and a textbook recovery to open-circuit voltage. That removes a key risk for using our cells in water-filled UUVs at ambient pressure, and it reiterates to us that the cell design is fundamentally right for this application."

Rob Shaw, Engineering Director at MSubs, said:

> "Pressure tolerance was a major gate in our feasibility assessment, and Li-S Energy's cells have passed it convincingly. Cells that keep delivering propulsion current through repeated dives to 1,000 metres, and surface with no damage and a stable voltage, are precisely the evidence we needed to see. We are very pleased with the outcome. Pressure tolerance, low weight and near-neutral buoyancy are attractive features in a battery system for high-endurance UUV propulsion, and these results give us real confidence as we continue the qualification process with Li-S Energy."

Next steps

Li-S Energy and MSubs have agreed the next steps in the assessment process: testing at greater simulated depths, charging as well as discharging at depth, and testing across the thermal operating profiles of subsea vehicles. Subject to the outcome of those tests, the companies are targeting the trial of a Li-S Energy battery pack during an actual dive mission on an XLUUV in open water.

The Company will update the market as the qualification process progresses, in accordance with its continuous disclosure obligations.

This announcement has been authorised by the Board.

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About Li-S Energy:

Li-S Energy Limited (ASX: LIS) is an Australian company at the forefront of next-generation battery technology, developing ultra-lightweight lithium-sulfur cells that offer more than twice the energy density of conventional lithium-ion.

With a strong research foundation and a growing presence in the defence and aerospace markets, the Company leverages cutting-edge IP to enhance battery performance, safety and longevity. LIS aims to revolutionise energy storage for aviation, drones, defence and beyond, delivering lighter, more efficient energy solutions for advanced applications where weight is critical. https://www.lis.energy/

About MSubs Ltd:

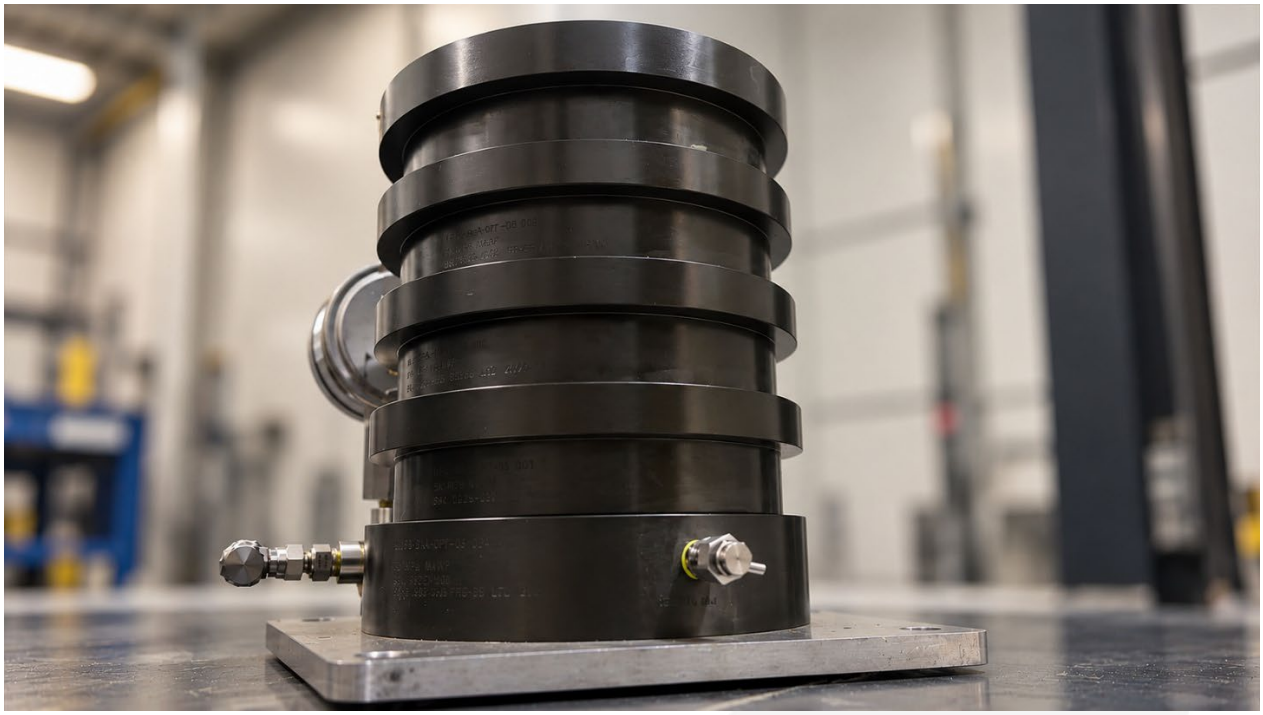
MSubs Limited, based in Plymouth, United Kingdom, designs and manufactures manned and unmanned underwater vehicles and platforms. With a proven record supporting the UK Ministry of Defence and U.S. Special Operations Command, MSubs develops innovative solutions spanning tactical to extra-large autonomous systems. Visit: www.msubs.com

APPENDIX: DETAILS OF THE Li-S ENERGY MSUBS TEST PROGRAMME

The test programme

Li-S Energy's 10 Ah lithium-sulfur pouch cells, produced on the Company's 2 MWh automated production line in Geelong, were tested at different states of charge, both with and without the discharge current each cell would deliver for the main propulsion for the XLUUV. Each test cycled the cells from surface pressure to the pressure equivalent to 1,000 metres depth and back to the surface, simulating an extreme "porpoising" manoeuvre in which the vehicle dives to operating depth, resurfaces and repeats.

Pressure and cell voltage were monitored throughout under an applicable discharge load, and the cells were inspected and weighed before and after testing.



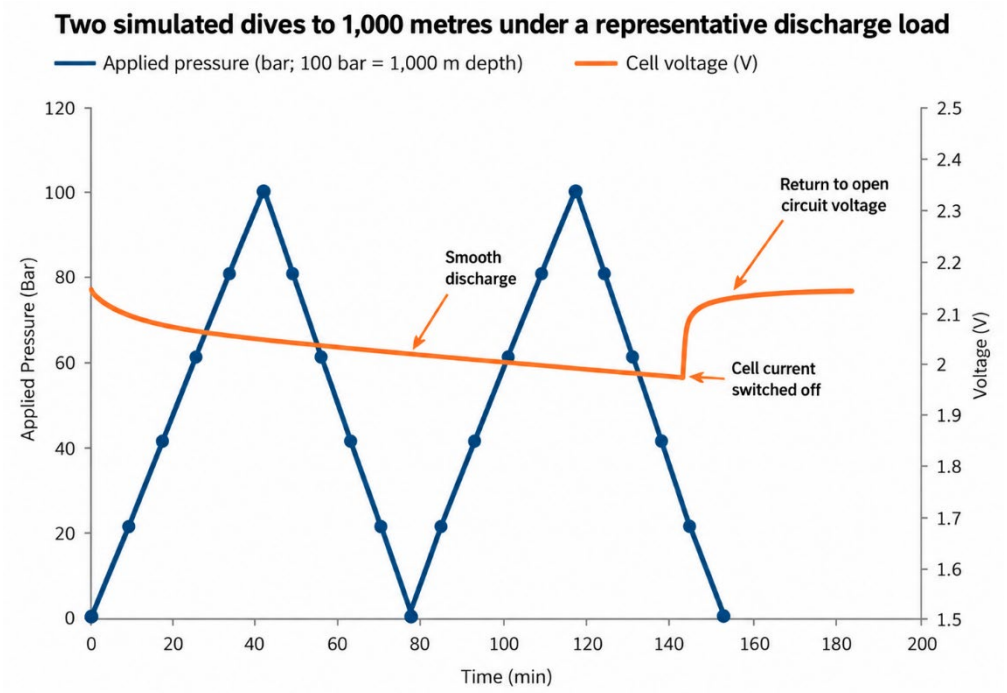
The MSubs pressure vessel at Li-S Energy's Battery Testing Centre, Geelong

Results

The testing was a complete success.

All cells completed their assigned pressure profiles. No visible mechanical damage, swelling or leakage was observed following testing, and no mass loss was recorded.

Cell voltage remained stable through every pressure cycle with no abnormal behaviour. The open-circuit voltage remained stable for 24 hours and beyond after testing, demonstrating no internal damage occurred, and the discharged cell recovered to its equilibrium voltage once discharge stopped. Stable performance was demonstrated under both open-circuit and discharge conditions.



Applied pressure and cell voltage during two simulated dives to 1,000 metres (100 bar) under a representative propulsion discharge load (10 Ah cell). On re-surfacing the discharge load was removed and the cell returned, as expected, to its open-circuit voltage.



10 Ah lithium-sulfur cell before testing and after four simulated dives to 1,000 metres