ASX ANNOUNCEMENT

FOR IMMEDIATE RELEASE TO THE MARKET

Li-S Energy Limited – ASX Code: LIS

Tuesday, 10 November 2026

Chairman's Statement and MD 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
- Managing Director's Presentation

This announcement has been authorised by the Board.

For further information contact:

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Li-S Energy AGM 2026
Chairman's Statement

10 November 2026

Introduction

Welcome to the 2026 AGM for Li-S Energy. Firstly, I would like to acknowledge the Turbal People on who's lands we are meeting and pay my respects to their elders – past, present and emerging.

It is my pleasure to report back to shareholders on what has been another good year of progress for Li-S Energy Limited (LIS).

Before I share my thoughts on the current and future direction of the company, I would like to recognise the support of my fellow Board members during the year: Ms Hedy Cray (who retired following the 2025 AGM), Mr Rick Francis and Managing Director and CEO, Dr Lee Finniear, plus the efforts of the management team led by Lee with support from CTO Dr Steve Rowlands, CFO Mr Andrew Davies and our Chief Strategic Advisor, Mr Glenn Molloy.

2026 Progress

I believe that in 2026 Li-S Energy (LIS) has continued its positive progress to commercialise our lithium sulfur battery chemistry right here in Australia. I think it is often overlooked that we are developing world-leading science coupled with engineering ingenuity to bring our first products to market. Less than a year ago we announced plans to develop a high Power Cell to sit alongside our original high energy cells. That Power Cell is already opening an array of commercial applications that are not possible with just our energy cell. It is this Power Cell that we have recently shipped to the Department of Defense in the US for testing in their applications.

Over the year, we have continued to leverage a number of Government support programs, most importantly an ARENA Advancing Renewable Program grant to accelerate both the optimisation of our current facilities and the development of a feasibility study for our next phase of scale up. This work stands us in good stead to be able to grow to meet customer demand and we thank the various governments programs for their continued support.

In October I attended The Battery Show in Detroit, one of North America's leading advanced battery meeting places. There, I had the opportunity to meet many of our peers in the ultra high energy battery sector, and it was pleasing to see the excitement that our batteries are creating. Lee and his management team are very focused on building our capacity and capability to fulfill the demand we are seeing. This is not a six month project but a multi-year and multifaceted plan, and one that I believe will fulfill the belief and ambition that we had when Li-S Energy was spun out from Deakin University during the pandemic.

Strategic Focus

As you would expect, the Board and management team have a strong focus on the strategy going forward. We see the strategy broadly encompassing four core dimensions and believe that execution across these strategic pillars will deliver long-term value. The four core dimensions are:

1. **Technical** – Locking the design of our power and energy cells for commercial availability while continuing to innovate across all areas of our unique science and engineering;
2. **Operational** – Delivering on the milestones of our ARENA grant for manufacturing optimisation and scale up planning whilst continuing to ensure our facilities are able to support the expectations of our customers;
3. **Commercial** – Transitioning collaboration agreements to commercial partnerships whilst exploring new pathways to profitable revenue; and
4. **Financial** – Ensuring that the company is able to fund its strategic development and growth and can access sources of capital when they are available.

We have had many successful outcomes across all these priorities over the year, but I would highlight a few key achievements that are leading to major commercial opportunities.

Firstly, the installation and commissioning of our cathode coater at the start of the year. This is the most complex piece of equipment in our production process, but its consistency and fine tolerances have supported the rapid development of our power cell that has sparked enthusiasm across the drone industry.

Secondly, the award to LIS of a $7.8m grant from the Australian Renewable Energy Agency (ARENA) to complete the feasibility and front-end engineering design for a planned scale up plant. The support is an endorsement of LIS' ambitious plan to commercialise our solutions at a scale unmatched by any lithium battery cell manufacturer in Australia.

Thirdly, the successful demonstration flight in September of a commercial scale drone in Queensland. Supported by the Federal Governments' Emerging Aviation Technology Program, this brought together the Queensland drone company, VTOL Aerospace, NSW perovskite solar cell company, Halocel and LIS to fly a drone for nearly two hours powered by just the sun and LIS batteries. This is a true demonstrator of the innovation in Australian small business, but also the need for ongoing Government support to retain these capabilities in Australia at the end of many global supply chains.

Fourthly, the required regulatory approvals to ship our cells overseas. It cannot be overstated how complex the approval process is for this new battery chemistry, but now it is in place, we are able to commence the critical export of test cells to prospective customers with the first cells already under test with the US DoD.

Finally, yesterday we announced we had completed the characterisation and data sheets on our 10Ah and 11Ah Power Cells. I know this was well received by the market, but from my perspective I think the development of our Power Cell capability is the most exciting technical development at LIS since our IPO.

Lee will shortly provide more detail on our commercial and technical progress in the last year.

Executive Remuneration

To support the execution of our strategic imperatives and the criticality of the next few years to the company, we commissioned an independent, external review of our executive remuneration structure by Guerdon Associates. As a result, the Board has developed a new long-term incentive structure that

we are putting to our shareholders today. This is an at risk incentive design to motivate and retain the critical senior executive team to deliver on the strategic priorities that will deliver long-term shareholder value. LIS is at a critical juncture as a business so this is a one-time allocation that covers a four-year period, and replaces the prior annual long-term incentive plan.

In conjunction, the Board has introduced a minimum shareholding policy for all directors and KMP, to be phased in over the coming three years.

Shareholder Support

LIS continues to value the continued support of its shareholders as we drive towards commercialisation of our innovative battery technology. While it may seem like a slow journey, the progress of our technology has been at a cadence that few other emerging battery manufacturers have been able to match. In the coming years we expect to transition to scale manufacturing, bringing long-anticipated validation to all shareholders.

The capital raised at IPO in 2021 has ensured that not only can the company fund its ongoing development work but it also has sufficient financial resources to prepare for the next step of scale-up in production. LIS has maintained a healthy balance sheet in difficult economic conditions with $15.0 million of cash and cash equivalents at the end of the 2026 financial year. As indicated this gives us the strategic flexibility to continue to invest in and develop opportunities as they arise, enabling us to increase our focus on developing products for our core partners and customers in the defence drone industry.

Outlook

2026 has been a year of huge progress for LIS as the pieces of our commercialisation jigsaw begin to fall into place.

Looking ahead, the next two years will be critical to cement LIS's position as a world-leading next generation battery company. As stated, we will focus efforts across our four strategic pillars. Primarily, we must ensure we retain tight control over our financial position as we extend into new opportunities and prepare for investment in the next phase of scale-up. We must deliver the anticipated outcomes for the major projects and opportunities in flight without compromising on quality or safety. We must lock down the design and specifications for our first generation of commercial products whilst continuing to extend and challenge ourselves to further refine our technology and strengthen our IP position. Finally, we must deepen the relationships with existing and emerging partners transitioning from collaborations to testing and finally to commercial offtake. I have full confidence in the ability of the management team to execute on this plan and the benefits that it will bring to all of our stakeholders.



Li-S Energy

2026 AGM

MANAGING DIRECTOR'S PRESENTATION

10 NOVEMBER 2026

ASX:LIS

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2026: A Year of Breakthroughs

FROM DEVELOPMENT TO REAL-WORLD VALIDATION

1

POWER CELL

R&D to product

In less than 12 months

2

PEGASUS FLIGHT

Nearly 2 hours

75 km on one battery pack

3

MSUBS TESTING

1,000 m depth

Successful simulated-pressure testing

4

US ARMY DEVCOM

Power Cells delivered

For US military evaluation

A defining year of technical progress and customer validation.

The LIS Unique Selling Proposition

FOUR COMPELLING ADVANTAGES THAT DELIVER A USP IN A RAPIDLY EXPANDING MARKET



Higher Energy. More Power.

Lightweight batteries designed to extend mission range, endurance and payload capability.



Sovereign & Allied Supply

Australian-made cells and lithium foil, without graphite, nickel, cobalt or manganese



Proven in Real-World Applications

Validated through demanding flight, altitude and simulated deep-sea testing.



Protected IP. Pathway to Scale.

Proprietary battery technology supported by Australian manufacturing and a staged scale-up strategy.

Right Place. Right Time. Right Technology.

The Opportunity Has Expanded

Rapid scaling in defence uncrewed systems has created a major market opportunity for Li-S Energy.



Government Defence Drone Commitments

2026 marked a fundamental pivot across allied military forces towards unmanned systems

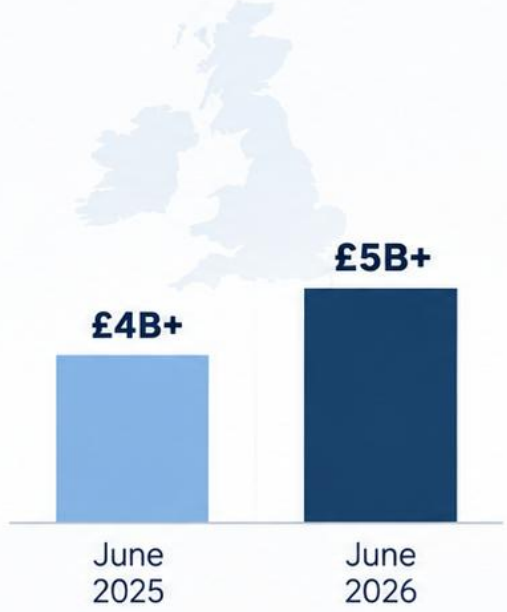
United States

Annual budget requests, US$ billion



United Kingdom

Multi-year commitments, GBP billion



Europe (EU)

Drone-specific commitments, EUR billion



Australia

Decade investment plans, A$ billion



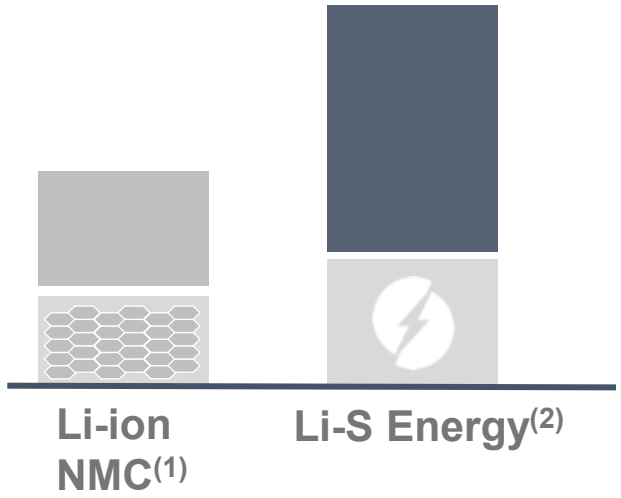
US: FY2026 request (Jun 2025): US$13.4B autonomy plus US$3.1B counter-UAS; FY2027 request (Apr 2026): over US$74B drone dominance and counter-drone. Excludes ~US$16B enacted Jul 2025 (P.L. 119-21).
UK: over £4B for autonomous systems this Parliament (SDR, Jun 2025); over £5B over four years (Defence Investment Plan, Jun 2026).
Europe: sum of EU-Ukraine drone agreement (€2B), proposed Drone Alliance (€6B) and German loitering munition contracts (€0.5B, options to ~€2.5B); excludes the €150B SAFE instrument, where drones and anti-drone systems are a named priority category.
Australia: more than A$10B for drones over the decade (2024 IIP); up to A$22B for drone, counter-drone and autonomous systems over the decade (2026 IIP: A$12-15B uncrewed plus up to A$7B counter-drone).

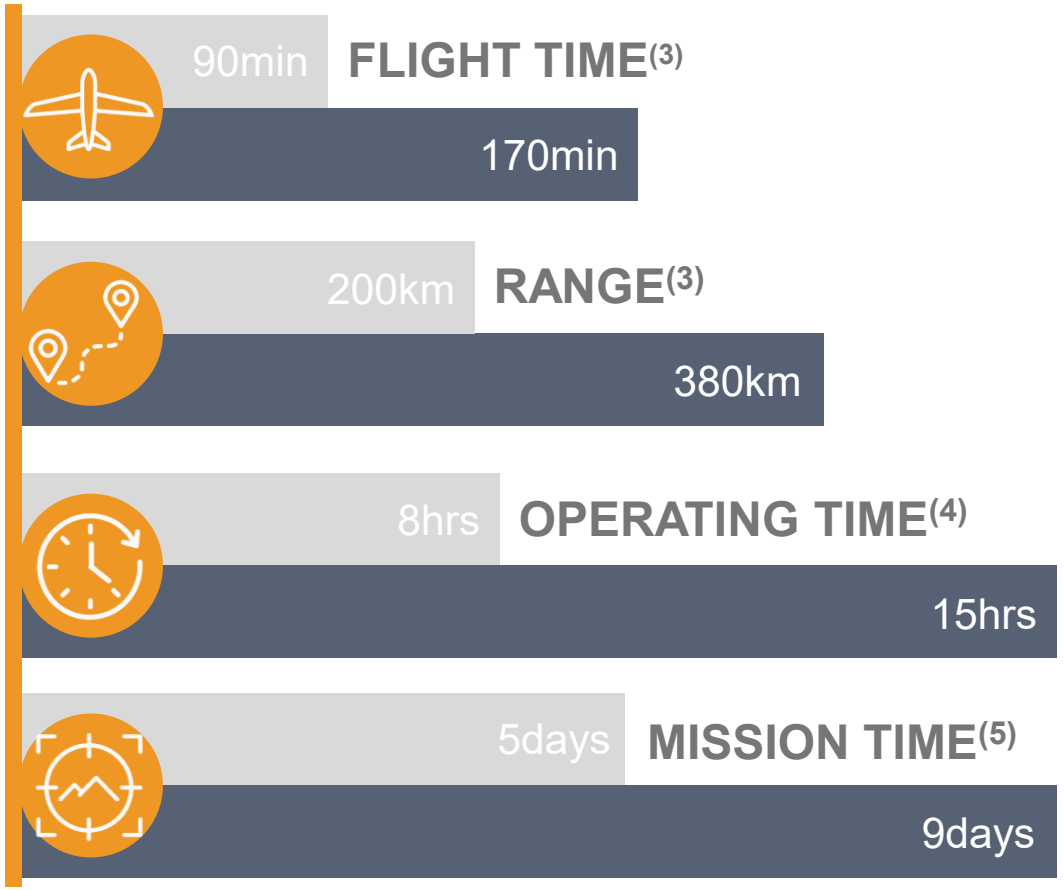
Li-S Energy

Performance Advantages

MORE ENERGY. EXTENDED RANGE. GREATER ENDURANCE

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 Cell" battery cell energy density measured by Li-S Energy after formation cycling (initial discharge reached 498 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

Li-S Energy

Sovereign Manufacture & Allied Supply Chain

We build our cells here in Australia, and have established an allied supply chain vital to defence customers

Li-S Energy's lightweight batteries deliver a broad scale capability enhancement across the unmanned systems landscape – while also eliminating the *'Achilles heel'* of all Lithium-ion batteries - dependency on a non-allied battery materials supply chain

SUPPLY CHAIN CHALLENGE [1]

Allied supply chains control only a small share of key Li-ion material processing:



That exposure remains regardless of where the lithium-ion cell itself is made.

THE LI-S ENERGY DIFFERENCE

- ✕ NO GRAPHITE
- ✕ NO NICKEL
- ✕ NO MANGANESE
- ✕ NO COBALT

- Sulfur cathode using one of the world's most abundant elements
- Lithium-metal anode replacing conventional graphite
- Cells manufactured in Australia
- Australian lithium foil now made in-house

For defence customers, supply chain assurance is not a nice-to-have - it is a procurement requirement.

[1] Sources: International Energy Agency, Global Critical Minerals Outlook 2025; C4ADS, Refining Power, February 2025

Li-S Energy

OUR NEW POWER CELLS

The most significant technology advancement since our IPO - delivering world leading performance from production lithium sulfur cells

Li-S Energy

10Ah Power Cell:

Expanding the market for lithium sulfur technology

BREAKTHROUH PERFORMANCE FOR DRONES, ROBOTICS & COMMUNICATIONS

2C
Continuous discharge

5C
Peak discharge (60 seconds)

>1500
W/kg

x20
Discharge power vs standard Li-S





11Ah Power Cell:

Pushing the Boundaries of Lithium Sulfur Battery Power

ULTIMATE LIGHTWEIGHT POWER PERFORMANCE FOR SINGLE USE AND LOW CYCLE LIFE APPLICATIONS

7C
Continuous discharge

10C
Peak discharge (20 seconds)

>2400
W/kg

x50
Discharge power vs standard Li-S

Li-S Energy

Scope of Applications



Energy Cell

~500 Wh/kg | 0.2C

- Maximum energy density
- Long endurance missions



HAPS – High-Altitude Pseudo Satellites



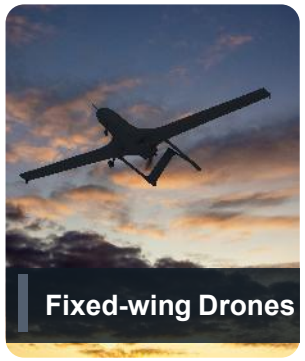
XLUUVs – Long-endurance, deep (to 1,000 m)



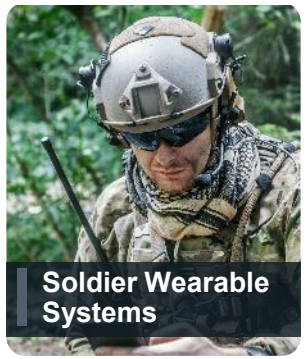
10Ah Power Cell

10Ah | 2C Continuous
5C Peak | >100 Cycles

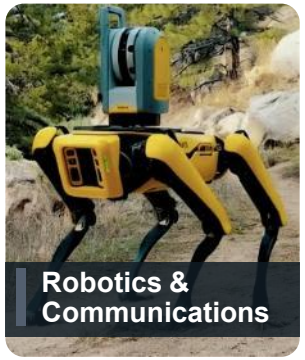
- Balanced power & cycle life
- Fast, responsive missions



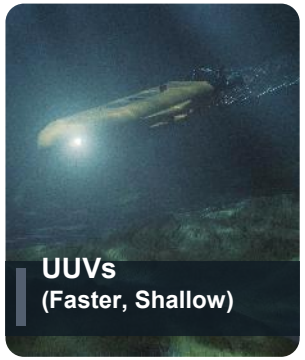
Fixed-wing Drones



Soldier Wearable Systems



Robotics & Communications



UUVs (Faster, Shallow)



11Ah Power Cell

11Ah | 7C Continuous
10C Peak

- Very high power
- Limited cycle life (one-way / short life)



Multi-rotor / FPV Drones



Drone Interceptors



OUR PARTNERS & PROGRAMS

Working with partners to prove our cell technology delivers the capability advantage they need.

Li-S Energy



U.S. ARMY

DEVCOM C5ISR CENTER

First LIS cells delivered to a US Government agency in August 2026

- C5ISR is US Army premier testing and acquisition capability
- Li-S Energy 10Ah Power Cells delivered to C5ISR at the US Army Aberdeen Proving Ground (Maryland) for testing
- Applications considered include UAV, Land systems and soldier wearable systems
- Results of testing will enable US Army to select ideal programs for Li-S Energy battery cells to be used where the weight, operating time and payload deliver key advantages.
- Allied supply chains are an additional major benefit for US Army as the US Government mandates allied supply.





MSubs Ltd
underwater vehicles & equipment

- MSubs supplies crewed and uncrewed submarines and UUVs to US Navy, USSOCOM, British Royal Navy and others
- Their all electric XLUUVs require batteries that operate under extreme pressure
- Li-S Energy cells successfully passed depth testing, delivering propulsion power equivalent during repeated dives to 1000m depth pressure (100 Bar)
- This success opens the UUV Market opportunity worldwide.

Defence Unmanned System **Partners**



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



Multi-national Defence Prime

- Unmanned air & land systems
- Soldier wearable technologies
- Li-S working with this Prime on tests for multiple products that are currently being supplied to governments worldwide.
- Currently working together on designs for soldier portable systems.



Safesky Systems

- Tactical uncrewed aerial systems (UAS)
- Safesky design and manufacture UASs for defence and security customers.
- Li-S cells to undergo integration, ground and flight testing, targeting future commercial supply.



EPE

A structured route into partner network of 60+ allied defence and security OEMs

- Target platforms include drones, ground robotics, EOD robots, counter-drone systems and soldier electronics
- Li-S working with EPE team to identify and execute on key “ideal fit” opportunities across their partner networks.



Pegasus Long Endurance Drone

- Project successfully completed with a 2-hour 75km flight achieved on a single LIS battery pack
- Partners: V-TOL Aerospace & Halocell
- Co-funded by Federal Government through a $1.3M Emerging Aviation Technology Partnership grant
- Target markets mapping, surveillance, agriculture, mining & exploration, security

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.

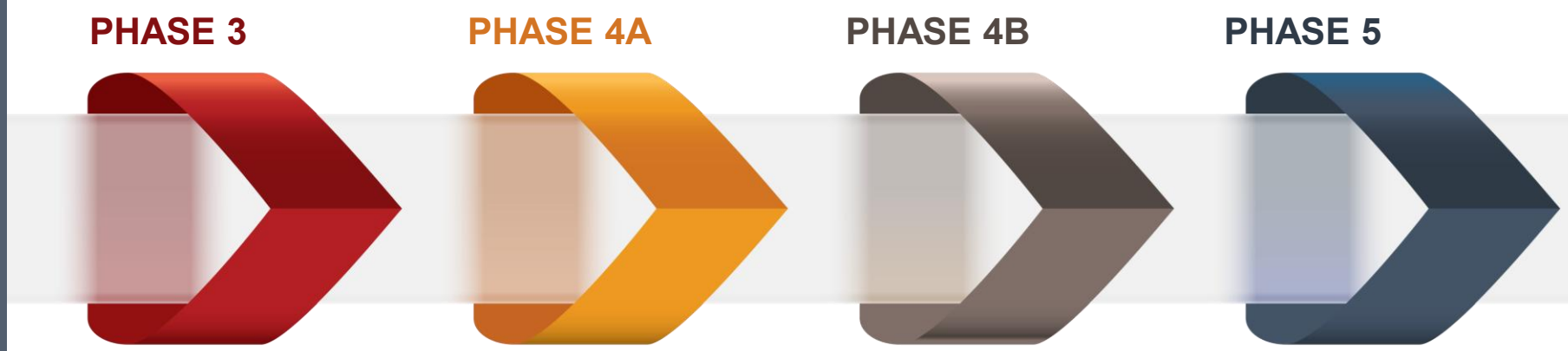
OUR PATHWAY TO SCALE

Charting our course to scaled commercial production

Li-S Energy

Production Scale-up Strategy

FROM PILOT MANUFACTURING TO COMMERCIAL SCALE



Designing the Pathway to Scale

CO-FUNDED BY ARENA

STAGE 1 "Investment Ready"

FEL-1
FEASIBILITY STUDY
Initial concept designs & costings in FY27

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 FEL-2
Full detailed designs and drawings able to be supplied to potential contractors for tendering purposes

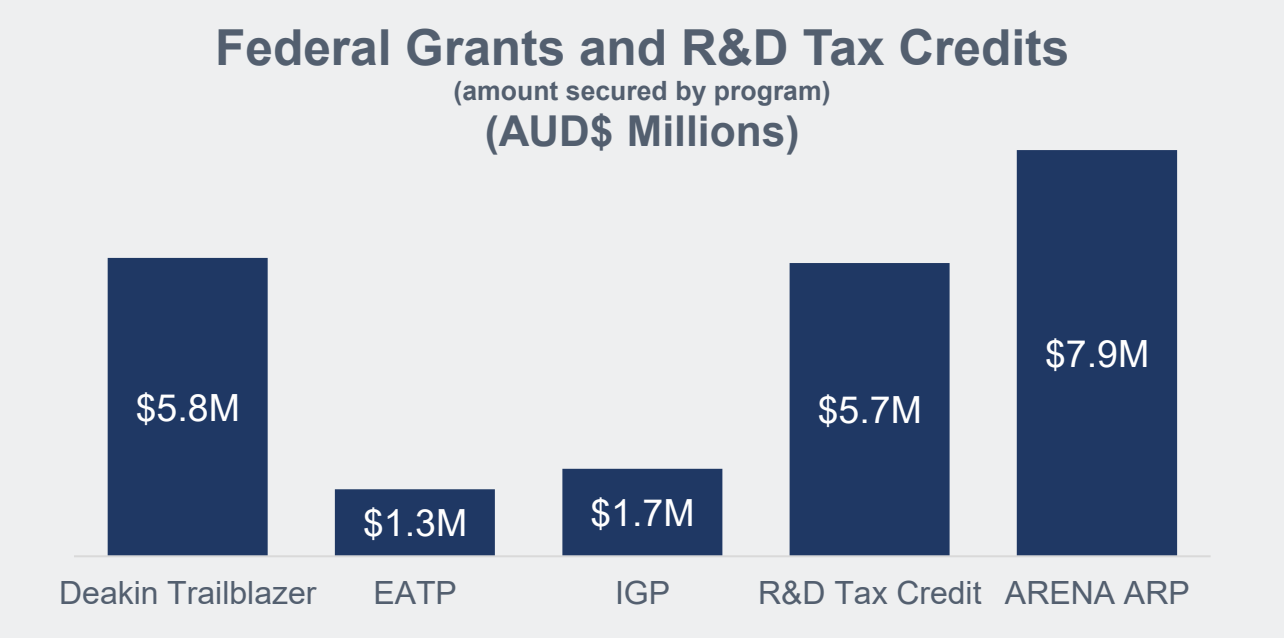
DELIVERABLES
Detailed design package ready to put out to tender for construction and site selection with permitting underway.

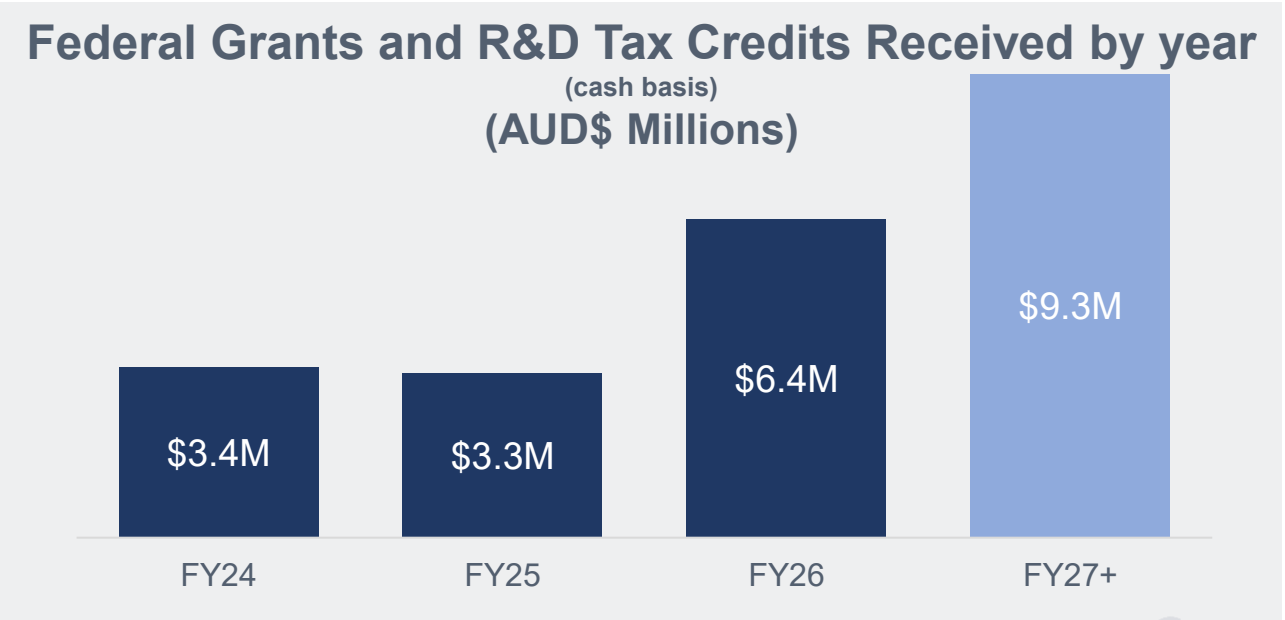
Li-S Energy

Financial Snapshot

- Significant investments in capital infrastructure and battery development programs completed.
- Secured $22.4M in federal grants and funding, with $9.3M of the funds yet to be received.
- Maintaining a prudent approach to cash management.

Financial Assets as at 30 June 2026	
Cash	$15.0M
Interest bearing Investments	$0.6M
Total as at 30 June 2026	**$15.6M**
Plus: Grant funding secured but not yet received	**$9.3M**





Li-S Energy

2026: A Year of Delivery

MOMENTUM THAT MATTERS



Nearly 2-hour / 75km EATP flight Milestone



Cells delivered to US Army DEVCOM



Power Cell developed and delivered



New collaborations with MSubs, Praetorian & Safesky



First commercial lithium foil order shipped



MSubs 1000m Depth Testing Successful



$7.8M ARENA Grant awarded & HATCH Engaged



Phase 4 feasibility to 1 GWh underway

Progress in Action

EATP PEGASUS: NEAR 2 HOURS IN THE AIR OVER 75KM FLIGHT ON Li-S ENERGY BATTERY



Video direct link



THANK YOU

Li-S Energy

DR LEE FINNIEAR
Managing Director & CEO

BEN SPINCER
Chairman

www.lis.energy