LI-S ENERGY LIMITED

APPENDIX 4E AND ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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APPENDIX 4E

This information should be read in conjunction with Li-S Energy Limited's 30 June 2025 Annual Report.

Entity Details

Li-S Energy Limited, ABN: 12 634 839 857

Results for announcement to the market

Comparison to previous corresponding period	30 June 2025 $	30 June 2024 $	Change $	Change %
Total revenues from ordinary activities	-	-	-	N/A
Profit/(loss) from ordinary activities before tax	(6,413,653)	(4,623,970)	(1,789,683)	39%
Profit/(loss) from ordinary activities after tax attributable to owners of Li-S Energy Limited	(6,413,653)	(4,623,970)	(1,789,683)	39%
Net Profit/(loss) after tax attributable to owners of Li-S Energy Limited	(6,413,653)	(4,623,970)	(1,789,683)	39%
Earnings / (loss) per share – cents (basic)	(1.01)	(0.73)	(0.28)	38%
Net tangible assets per share – cents [1]	4.02	5.43	(1.41)	(26%)

[1] The net tangible asset backing includes the right-of-use assets as per AASB 16

Dividends

The Board has resolved not to issue a final dividend.

Audit

This report is based on financial statements which have been audited.

Commentary on results for the period

A commentary on the results for the period is contained in the Annual Report that accompanies this announcement. The result includes a non-cash loss of $1,052,785 on revaluation on an investment held at fair value through the profit or loss (FVTPL).

Annual General Meeting

The Company expects to hold a fully virtual Annual General Meeting on Tuesday 18 November 2025. Nominations from persons wishing to be considered for election as a director are expected to close on Friday 26 September 2025.

CHAIRMAN'S REPORT

Dear Shareholders,

It is my pleasure to present this financial report to shareholders in what has been another excellent year of progress for Li-S Energy Limited (LIS).

2025 PROGRESS

In 2025, 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, capable of producing high quality 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, funded in part by an Industry Growth Program grant.

I also want to recognise the support of my fellow Board members during the year: Hedy Cray, Rick Francis, retired directors Robin Levison and Marc Fenton, plus the efforts of the management team led by CEO Dr Lee Finniear with support from CTO Dr Steve Rowlands, CFO Sarah Price and our Chief Strategic Advisor, Glenn Molloy.

RESEARCH AND DEVELOPMENT (R&D) UPDATE

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

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 LIS cells powered the drone for a total flight time of over 30 minutes, with approximately 90% of the energy remaining in the pack after the flight. This flight was an important validation point for our large Emerging Aviation Technology Program (EATP) Grant to produce a battery for a drone that will fly all day.

Another important component of our R&D program is to continually optimise the use of boron nitride nanomaterials in our cells. With our new lithium extrusion and lamination technology in place we expect to accelerate the commercialisation of our unique nanomaterials intellectual property (IP) over the next financial year to significantly improve the operating life of our cells.

Intellectual property protection remains critical as we progress to commercial products, so our dedicated IP management committee continually meets to assess our existing and new IP to ensure it is stored securely and protected as patents or trade secrets as appropriate.

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

COMMERCIAL UPDATE

Last year we highlighted four key strategic objectives for the company over the following 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 our significant Government Grants and 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.
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 a range of licensing and funding models.

At the midpoint of that plan, we have seen significant development in 2025 across those priorities. We have continued to develop our core technology platform with a focus on scaling manufacturing consistency to continuously improve cell performance plus our exciting work on a proprietary battery management system to increase our reach up 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. Our work with VTOL Aerospace on a 'dawn 'til dusk' platform remains on track, with full battery packs containing dozens of individual cells currently on test. In March 2025, 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 2025, we also announced a collaboration with a major defence partner and we expect further opportunities to arise as we build a strong drone and defence pipeline.

Pathway to scale remains a major focus for 2025 and 2026, with a focus on transitioning existing collaboration partners to offtake agreements and further development of plans for scaled up manufacturing.

SHAREHOLDER SUPPORT

LIS continues to value the support of its shareholders as we commercialise our innovative battery technology. One of our founding shareholders, PPK Group Limited (ASX:PPK) reduced its holding in the year to 39.24%, deconsolidating LIS from its own accounts. We continue to have a close relationship with PPK Group, including the provision of financial and legal management support and we believe that the increased free float following the deconsolidation will also be beneficial over time.

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 current financial assets at the end of the 2025 financial year. This gives us the strategic flexibility to continue to invest in, and develop opportunities as they arise. Our continued balance sheet strength has also been important in ensuring we have the matched funding for the EATP and IGP grants from the Federal Government.

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 continue in 2026.

Our Phase 3 facility is a unique capability that will allow the rapid development of our cells and underlying manufacturing processes. We are also advancing plans for a larger Phase 4 facility. As we have said previously, we are not tied to a particular model to fund this facility to ensure that we maximise returns for shareholders, but we will explore all models from greater Government support, to licensing or joint ventures or to a range of project financing options. Implicit in development of these plans is our parallel plan to continually improve our cell performance through novel manufacturing techniques and new IP and also our growing focus on customer requirements so we can efficiently progress from collaborations to commercial off-take agreements.

We have already received significant Federal Government support through the Trailblazer Universities Program, Emerging Aviation Technology Partnerships Program and Industry Growth Program, and we look forward to engaging further as State and Federal Governments look to build sovereign capabilities in batteries. We also believe that our facilities represent the most advanced battery cell manufacturing capabilities in the country and we continue to be an excellent showpiece for Australian innovation into a range of global markets. We look forward to keeping you updated on the exciting developments ahead .

Yours sincerely,

BEN SPINCER
Chairman

DIRECTORS' REPORT

For the year ended 30 June 2025

The directors of Li-S Energy Limited ("Li-S Energy", "LIS" or the "Company") present their report together with the consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 30 June 2025 (FY25).

DIRECTORS

The names of the Directors in office at any time during the year or since the end of the year are set out below. Directors were in office for the entire period unless otherwise stated.

Ben Spincer	Non-Executive Director and Chairman
Robin Levison	Non-Executive Director (retired 31 August 2024)
Hedy Cray	Non-Executive Director
Marc Fenton	Non-Executive Director (retired 18 February 2025)
Rick Francis	Non-Executive Director (appointed 18 February 2025)

INFORMATION ON DIRECTORS

Details of the current Directors, their qualifications, experience, and special responsibilities are detailed below:

Dr Ben Spincer MA, PhD, GAICD.
Non-Executive Director and Chairman
Appointed as a Non-Executive Director on 18 March 2021.

Ben is currently the Executive Chairman of PowerPlus Energy Pty Ltd and on the Boards of White Graphene Ltd and EnyGy Ltd. Previously, Ben was the Executive Director of Deakin Research Innovations, responsible for Deakin's commercial research partnerships, as well as the commercialisation and translation of the University's research and oversight of the ManuFutures advanced manufacturing scale-up facility. He was a member of the Victorian Government Innovation Taskforce in 2020 and represented Deakin on a number of research centre and institute Boards.

Prior to joining Deakin in 2015, Ben was Director of Technology Strategy and Innovation at Telstra, working with the Chief Technology Officer to oversee the long-term technology strategy of the company and to instil a culture of innovation. From 2007 to 2013, Ben was the Director of Investor Relations for Telstra, managing relationships between the company and its shareholders after its full privatisation.

Previously, Ben was Vice President and financial analyst at Credit Suisse in London covering the European telecom industry.

Ms Hedy Cray LL.B. (Hons), LL.M.
Non-Executive Director
Appointed as a Non-Executive Director on 21 April 2021; Chair of the Audit & Risk Committee.

Hedy graduated with a Bachelor of Laws with Honours in 1996 and a Master of Laws in 1999 from Queensland University of Technology. For over 26 years Hedy worked in private legal practice, first becoming a partner in 2001. Hedy joined national firm Clayton Utz in 2003 and spent almost 19 years growing and leading its Workplace Relations Employment and Safety team before retiring from the partnership in 2022.

Hedy is the Executive Vice President of Global Affairs for Korea Zinc ('KZ'), one of the world's largest non-ferrous metal smelting operators with interests in green and renewable energies, including developing projects for solar and wind power, green hydrogen production, battery recycling and e-waste, director, Ark Energy Corporation Pty Ltd, which is the KZ renewables business in Australia, and a director and executive of Pedalpoint Holdings LLC developing KZ's interests in electronic waste recycling and resource recycling in the United States.

Hedy has extensive experience in commercial and corporate strategy, risk management, corporate governance, acquisitions and company restructuring as well as employment, human capital and safety and has worked with multinationals across energy, renewable resources, manufacturing, transport and logistics and the government sector. Hedy served as a Director of the Clayton Utz Foundation for 6 years, the firm's body responsible for giving back to the community which distributed almost $12m of grants to over 270 charities since 2003.

Mr Rick Francis BCom, MBA, GAICD, and CA
Non-Executive Director
Appointed as a Non-Executive Director on 18 February 2025; Member of the Audit & Risk Committee.

Rick has 25 years' experience in the energy and infrastructure sectors. He was the Managing Director and CEO (and previously Chief Financial Officer) of Spark Infrastructure Group (previously ASX: SKI) for over a decade. At that time, SKI was an S&P/ASX 100 entity that made long-term investments in energy infrastructure assets and renewable electricity generation technologies. During his tenure, he was also a non-executive director of electricity distribution businesses, Victoria Power Networks (comprising CitiPower and Powercor) and SA Power Networks and was Deputy Chair of TransGrid, the operator of the high-voltage electricity transmission network in NSW and the ACT. Before this, Rick held senior roles at the APA Group (ASX: APA) and Origin Energy (ASX: ORG)

Other public listed directorships held in the last three years:

- Non-Executive Director of PPK Group Limited since 2 December 2024

INFORMATION ON COMPANY SECRETARIES

Mr Will Shiel BA in Law (Hons) FGIA
Appointed Company Secretary on 30 June 2022.

Will has 20 years' experience in the legal industry. He specialises in all aspects of commercial law, with a particular focus on contracts and cutting-edge technology transactions.

Before joining LIS, Will was Head of Legal (Technology) at ASX Limited (ASX:ASX) where he managed a team responsible for technology, intellectual property and data matters. Before this, he held a variety of senior positions in Brisbane, Sydney and London at leading national and international law firms, including Allens Linklaters, Gilbert+Tobin and Clifford Chance. Will works across PPK Group Limited, Li-S Energy, White Graphene Limited and BNNT Technology Pty Ltd.

Mr Liam Fairhall BLaw (Hons); BMed Rad Sci; Grad Dip ACGRM
Appointed Company Secretary on 30 June 2022.

Liam is an experienced corporate lawyer and governance professional that has extensive experience in advising Boards on a wide range of legal, regulatory and compliance matters. Liam's senior management roles include Deputy General Counsel and Company Secretary at PPK Group Limited, and prior to that, Head of Legal and Company Secretary at a technology-focused bank specialising in payment products and financial crimes services. Earlier in his career, he was a Senior Associate in the Corporate Advisory Group at one of Brisbane's largest independent law firms.

INFORMATION ON MANAGEMENT TEAM

CHIEF EXECUTIVE OFFICER
Dr Lee John Finniear BSc (Hons), PhD, F.A.I.C.D.
Appointed Chief Executive Officer on 14 February 2021.

Lee has more than 25 years' experience as a senior executive, including 10 years with Intergraph Corporation, (a US-based Fortune 1000 technology company) in roles including Vice President – Asia Pacific, plus more than 10 years as the Chief Executive Officer and Managing Director of NASDAQ and ASX listed technology companies. Prior to joining LIS, Lee was the founder and Managing Director of a company delivering innovative Internet of Things (IoT) products to business and consumer markets. He also served as Vice President – Asia Pacific for Cubic Telecom, a European telecommunications operator, leading the expansion of its business across the region.

Lee has a First Class BSc. (Hons) degree in Civil Engineering and a PhD in Artificial Intelligence and Geographic Information Systems. He has been a Fellow of the Australian Institute of Company Directors for 15 years and is a founding Director of the Advanced Materials and Battery Council.

CHIEF FINANCIAL OFFICER
Ms Sarah Price CA, BBus(Acc)
Appointed Chief Financial Officer on 23 May 2023.

Sarah has over 20 years' experience as a financial controller, including key roles at Technology One, Cardno, Xstrata and PwC. Across these positions, Sarah has built extensive knowledge of group finance and taxation with a focus on global reporting, financial strategy and risk management. In her role as CFO, Sarah works across PPK Group Limited, Li-S Energy, White Graphene Limited, BNNT Technology Pty Ltd, and Craig International Ballistics Pty Ltd.

Sarah holds a Bachelor of Business from Queensland University of Technology, is a Chartered Accountant and Affiliate of the Governance Institute of Australia.

CHIEF TECHNOLOGY OFFICER
Dr Stephen (Steve) Rowlands BSc. (Hons) PhD
Appointed Chief Technology Officer on 12 July 2021.

Steve has over 20 years' experience in the energy storage sector, including eight years as Deputy CTO at OXIS Energy, a pioneer of lithium sulfur battery technology. At OXIS Energy, Steve managed the cathode, electrolyte, cell test engineering and production development teams. He has extensive knowledge of nanomaterials and their effect on the detailed mechanisms of lithium sulfur technology. Managing the OXIS Energy production development team, he gained detailed knowledge of the scale-up processes required in delivering a pilot production line for lithium-sulfur battery manufacture.

Steve has a First-Class BSc. (Hons) degree in Applied Chemistry and a PhD in Electrochemical Supercapacitors for Energy Storage.

CHIEF STRATEGIC ADVISOR
Mr Glenn Robert Molloy
Engaged as Chief Strategic Advisor from 12 June 2021 following two years serving as Executive Chairman and then Director of LIS ahead of key appointments.

Glenn founded PPK Group Limited, then known as Plaspak Group Limited, in 1979 and has acted as a director of PPK Group Limited since that time. He has extensive experience on public company boards, and in advising publicly listed and private entities on commercial aspects of mergers, acquisitions and divestment activities. He is a director of a number of PPK Group Limited's related companies including PowerPlus Energy Pty Ltd and Craig International Ballistics Pty Ltd.

PRINCIPAL ACTIVITIES

Li-S Energy Limited was incorporated on 12 July 2019 and listed on the Australian Securities Exchange (ASX) on 28 September 2021. The Company was established to commercialise advanced lithium sulfur (Li-S) battery technology based on proprietary nanomaterials. These materials include boron nitride nanotubes (BNNTs), white graphene and the Company's proprietary Li-nanomesh, which are designed to:

- Increase the energy density of batteries compared to conventional lithium-ion technology; and
- Improve the cycle life of lithium sulfur and lithium metal batteries, that were limited by degradation mechanisms in traditional designs.

These advancements have been designed to facilitate the development of batteries that are both lighter in weight and more durable, with direct applications for significant addressable markets in the aviation, commercial drone and defence sectors.

During FY25, LIS made substantive progress towards the commercialisation of its technology. The Company aims to generate diversified revenue streams from the following sources:

1. Collaborative programs with product OEMs to integrate and test Li-S Energy battery cells and battery packs in high-value applications such as electric aviation, defence, and drone systems;
2. The sale of lithium metal foils and laminates, including foils with nanomaterial coatings optimised for lithium sulfur and lithium metal battery chemistries;

3. The supply of boron nitride nanomaterials, Li-nanomesh, and associated know-how to battery manufacturers seeking to enhance the performance of Li-S and lithium metal batteries or other advanced chemistries; and
4. Licensing of LIS' intellectual property to third-party manufacturers for the production of battery cells and modules using LIS' proprietary materials and designs.

REVIEW OF OPERATIONS

During FY25, Li-S Energy built on its achievements in FY24 to make substantive progress in scaling production, validating cell performance, and advancing its commercialisation strategy.

Set out below is a summary of highlights and key activities during the financial year:

Expanded manufacturing capacity

- Completed commissioning and optimisation of the Phase 3 and Phase 3S pouch cell production lines, now producing full-sized 10Ah and 20Ah lithium sulfur cells in Australia's largest battery pouch cell production facility;
- Progressed installation and procurement for lithium foil and laminate production line, backed by a $1.7 million Industry Growth Program (IGP) grant;
- Enhanced automated production capability for lithium metal anodes, including precision cutting, stacking, forming and ultrasonic welding for both Li-S and lithium metal cells; and
- Filing additional PCT patent applications covering unique cell materials and documenting other IP as trade secrets to further protect and strengthen the Company's IP position.

Improvements to battery cell performance

- Advancing production of 10Ah commercial-scale Li-S cells for partner evaluation and internal test regimes;
- Achieving energy densities of up to 456Wh/kg after formation cycling in Li-S pouch cells using the Company's GEN3 semi-solid-state chemistry;
- Successfully assembling and testing numerous multi-cell battery packs for use in real-world demonstration programs; and
- Completing the design and integration of the Company's proprietary intelligent battery management system (BMS), tailored to the specific requirements of Li-S chemistry.

Strategic partnerships

- Successful UAV flight demonstrations using Li-S battery packs, validating performance, rechargeability, and system stability in real world conditions;
- Collaboration agreement with a leading defence technology company, including supply of Li-S cells for a partner testing program tailored to target international military and security applications;
- Progression of mechanical design and pack integration for the Pegasus I long-endurance solar-electric drone under the $1.35m Emerging Aviation Technology Partnership (EATP) grant, in collaboration with V-TOL Aerospace and Halocell;
- Collaborating with New Zealand-based Kea Aerospace to support battery pack development for their solar stratospheric aircraft; and
- Post balance-date, appointment of Paladin Defense Services LLC as U.S. representative for engagement with the U.S. Department of Defense (DoD) and major defence contractors.

COMMERCIALISATION STRATEGY

Our commercialisation strategy has five phases. The first two phases were completed in prior years. In FY25, our focus remained on executing Phase 3, while laying the groundwork for Phase 4, which will scale manufacturing and enable larger scale commercial supply. The diagram below illustrates Phases 3 to 5:

Diagram 1: Phases 3 to 5 of the Company's scale-up process

Through FY25 the Company has engaged extensively with its key target markets in Drones, Defence and eAviation, building a pipeline of partner and potential customer opportunities. With Phase 3 able to produce cells for testing and trials, this enables partners and potential customers to independently assess our performance advantages, specifically our energy density, safety and weight benefits, and to inform their procurement pathways.

These tests are expected to lead to demand signals, letters of intent, and conditional offtake agreements that will support our planning for Phase 4.

Looking ahead, Phase 4 is being planned to scale production to a commercially profitable manufacturing facility of up to 1GWh. The Company is considering a number of commercial approaches to realising this next phase, including strategic partnering, technology licensing and project financing.

Beyond this, Phase 5 is currently expected to adopt a commercial model focusing on technology licensing and materials supply, although the Company strategy remains adaptable based on market opportunity and demand.

As an additional commercial opportunity, the Company expects to offer a range of lithium metal foils, coated foils and laminates to domestic and international customers. These will be produced on its new lithium metal foil production line that is currently being commissioned.

PHASE 3 AND 3S PRODUCTION FACILITIES

In FY25, Li-S Energy successfully commissioned its Phase 3 production line, Australia's most advanced lithium sulfur and lithium metal pouch cell manufacturing facility. This milestone follows the installation and construction phases completed in FY24, and represents a critical inflection point in the Company's commercialisation roadmap.

The Phase 3 facility demonstrates that Li-S Energy's advanced cells can be produced using largely adapted lithium-ion production equipment, integrated with novel process innovations. The facility includes more than 55 specialised machines and operates across multiple controlled environments, including a 770 m^3 dry room, capable of –70ºC dew point and consistently operates at a dew point of -55ºC, a clean room, and argon-filled enclosures – all fully operational and performing to design specifications.

During FY25, the Company's operational focus shifted to production ramp-up, performance optimisation, and preparation for external sampling. Full-scale 10Ah and 20Ah pouch cells were produced using the Company's GEN3 semi-solid-state chemistry, with formation cycling and quality control conducted in the Battery Testing Centre installed in FY24.

Additionally, the Phase 3S small-format pouch cell production line - designed to serve partners in defence, security, and smaller device markets - was installed and commissioned in Q1 FY25, expanding the range of cell formats now available to partners.

In parallel, the Company progressed procurement and early-stage installation of a lithium metal foil production line, supported by the $1.7 million Industry Growth Program (IGP) grant. This facility will enable LIS to produce its own lithium foils and laminates, with the potential for future export sales. The production line includes precision extrusion, rolling, lamination, and nanomaterial coating systems tailored to the delicate nature of lithium foil processing.

A pivotal milestone occurred in July 2025, when Li-S Energy announced the successful installation of its lithium foil extruder, and used it to produce its first 100 µm thick lithium metal foils. This marks Australia's first sovereign production of lithium foils, achieved ahead of schedule under the $1.7 million Industry Growth Program grant.

PRODUCTION DEVELOPMENT STRATEGY

Cell Development

During FY25, Li-S Energy continued advancing its lithium sulfur and lithium metal battery programs in line with its technology roadmap. Building on the successful introduction of its GEN3 semi-solid-state Li-S chemistry, the Company focused on scaling production, refining materials, and enhancing cell safety and reliability.

In 2023, Li-S Energy announced that its GEN3 semi-solid-state lithium sulfur technology delivered a 45% increase in volumetric energy density while maintaining gravimetric energy densities above 400 Wh/kg. Since then, and throughout FY25, the Company's R&D and production engineering teams focused on translating this performance into larger cell formats and production-grade builds suitable for commercial applications.

Development priorities in FY25 included:

- Refining and scaling the production of semi-solid-state cathode materials for consistent, repeatable high-energy output at 10Ah and 20Ah formats;
- Progressing the mechanical and electrochemical design of the 10Ah lithium sulfur pouch cell, now in routine production for internal testing and partner evaluation;
- Completing production optimisation for lithium metal anode handling and integration, including enhancements in yield, precision, and material handling during automated processing;
- Extending research on low-flammability electrolytes to further enhance safety under thermal and abuse conditions; and
- Evaluating the impact of various Li-nanomesh coating strategies on internal resistance, cycle life, and performance consistency across both Li-S and lithium metal configurations.

Key achievements during FY25 included:

- Routine production of full format 10Ah and 20Ah GEN3 cells using automated manufacturing lines in the Phase 3 facility;
- Enhanced quality control metrics and formation cycling stability through improved cell design, cell stacking, electrolyte filling, and sealing methods;
- Continued full-scale internal testing of nail penetration, short circuit, environmental and performance across a range of operational profiles; and
- With cell design and processes now approaching final pre-commercial configuration, Li-S Energy has commenced building technical data sheets and performance dossiers for customer programs. Battery packs are being assembled for the EATP 'dawn-'til-dusk' drone project, and the Company is engaging OEM partners to evaluate energy density, cycle life and safety performance in the context of their target platforms.

Intelligent Battery Management System Development

A core element of Li-S Energy's innovation roadmap is the development of a proprietary intelligent Battery Management System (BMS), purpose-built for lithium sulfur and lithium metal chemistries. In FY25, the Company made further progress on this initiative, moving from functional prototype to battery pack assembly validation.

The BMS is designed to monitor individual cell performance, manage charging and discharging cycles, and detect anomalies in real time cell performance to protect against failure. The system features advanced fault isolation, thermal monitoring, and predictive control strategies tailored to the unique electrochemical behaviour of Li-S cells.

During FY25, the BMS design was successfully integrated into several multi-cell battery packs produced for integration into a five-metre wingspan UAV for the EATP project.

These integrated packs are undergoing performance benchmarking under realistic use conditions, including simulated UAV flight operations, enabling the BMS to optimise pack behaviour using AI based machine learning algorithms.

Li-S Energy owns all intellectual property associated with the BMS, including control logic, firmware and sensor architecture. Further refinements will focus on enhancing pack-level analytics and integration readiness for a range of partner platforms.

Other Research & Development Activities

Li-S Energy continued to strengthen its R&D capability throughout FY25 by bringing more research functions in-house, improving alignment with commercial goals and enhancing responsiveness to emerging findings from production-scale operations.

At the same time, the Company continued to benefit from collaborative research with Deakin University's Institute for Frontier Materials, the ARC SafeREnergy Hub, and the Future Battery Industries Cooperative Research Centre (CRC). These programs have delivered meaningful advances in materials science and battery chemistry.

Key research streams during FY25 included:

- Ongoing development of low-flammability and solid-state electrolytes optimised for lithium metal interfaces;
- Characterisation and refinement of gel polymer electrolytes aimed at balancing ionic conductivity with mechanical safety; and
- Continued progress on the Nuclear Magnetic Resonance (NMR) study, modelling lithium-ion interactions at the lithium metal surface and further validating the stabilising effect of Li-nanomesh coatings.

These projects continue to support long-term improvements in energy density, cycle life and safety while deepening the Company's understanding of the fundamental mechanisms that govern its next-generation battery performance.

PARTNER DEVELOPMENT STRATEGY

Partner Acquisition and Execution Strategy

Throughout FY25, Li-S Energy executed a focused partner strategy, balancing delivery to existing collaborators with the considered expansion of its future opportunity pipeline. With Phase 3 production capability operational, the Company is able to supply high-performance lithium sulfur battery cells and intelligent battery management systems to select partners for testing, validation, and integration across aerospace, defence, and unmanned systems.

The Company significantly expanded its business development activities across the financial year through a series of high-profile industry events. These included exhibits at Land Forces 2024 (September) and the Avalon Airshow 2025 (March), both supported by Invest Victoria, showcasing our battery technology and capabilities to a broad range of defence and aerospace stakeholders. Additionally, we participated in Special Operations Forces (SOF) Week in the United States and the Paris Airshow, engaging directly with potential customers and technology partners from across the global drone defence and aviation sectors.

These events have been instrumental in:

- Growing Li-S Energy's pipeline of prospective customers and collaboration partners;
- Establishing direct relationships with key program managers, integrators, and platform OEMs; and
- Deepening the Company's understanding of end-user requirements for safety, weight, energy density and battery management across a variety of mission-critical applications.

This feedback loop between business development and technical teams has proven vital in guiding both product development priorities and go-to-market alignment.

Kea Aerospace – High-Altitude Long-Endurance UAV Integration

In March 2025 at the Avalon Airshow, Li-S Energy signed a formal collaboration agreement with Kea Aerospace to supply battery cells and BMS systems for its ATMOS Mk1 high-altitude, solar-electric UAV. Designed for persistent stratospheric operation, Kea is targeting mission durations of several months without landing creating a persistent high altitude platform for environmental monitoring, communications, and ISR (intelligence, surveillance, and reconnaissance).

This collaboration positions Li-S Energy at the forefront of the emerging High-Altitude Pseudo Satellite (HAPS) market.

Defence Prime Contractor – Cell Supply and Integration Program

In June 2025, Li-S Energy entered into a strategic collaboration and cell supply agreement with a major defence prime contractor. The partnership involves supplying lithium sulfur battery cells for testing for use in defence-oriented platforms and systems, including unmanned systems, soldier-worn equipment, and surveillance technologies.

This staged engagement includes validation testing, system integration, and feedback cycles to inform future production readiness. The defence prime partner brings decades of experience delivering mission-critical systems to global allied forces, and this collaboration positions Li-S Energy as a prospective supplier into formal procurement pathways.

Emerging Aviation Technology Partnership (EATP) – Pegasus UAV Program

The Pegasus UAV program, delivered in collaboration with V-TOL Aerospace and Halocell, progressed into its build and integration phase in FY25 under the $1.35 million Federal Government EATP Grant. The project aims to deliver an Australian-developed, extended-endurance solar-electric drone, capable of all-day flight without landing.

Li-S Energy's responsibilities include the design and production of the drone's lithium sulfur battery packs and the integration of its intelligent battery management system. The program is designed to demonstrate new capabilities for use in surveillance, defence, and resource monitoring, and has already attracted external interest ahead of flight trials scheduled for FY26.

These partnerships and engagements reflect Li-S Energy's strategic approach to commercialisation: delivering validated product outcomes, building strong relationships across target sectors, and using structured engagement with the market to refine product design and readiness. The Company now has a significantly expanded partner pipeline, with clearer visibility into the technical, safety, and performance criteria required to convert opportunities into future commercial agreements.

INTELLECTUAL PROPERTY

During FY25, Li-S Energy maintained a strong focus on the protection and strategic management of its intellectual property (IP) portfolio, recognising it as a core asset underpinning the Company's long-term value.

Two new Patent Cooperation Treaty (PCT) patent applications were filed during the year, supporting advances made in lithium sulfur cells, and a further patent prepared for filing relating to battery system integration. These patents reflect ongoing product development and the Company's continued work in novel manufacturing processes associated with lithium metal anodes and battery pack architecture.

Progress was also made on the existing five patent families, with several entering national phase examination and some receiving grants in key international jurisdictions. This includes continued progression of the flexible lithium sulfur cell and Li-nanomesh patent families. Additional filings from FY24 and earlier have transitioned into the PCT phase to secure broader international protection.

Li-S Energy continues to assess all new inventions and know-how generated by its R&D and engineering teams, with a view to determining the most appropriate method of protection, either through the patent process or as confidential proprietary information maintained as a trade secret. A system of cataloguing trade secrets has been implemented. Under the seven groups there are currently 33 securely documented trade secrets. A development and regular review process for new IP has also been implemented with a further 11 potential patent families in the pipeline for further assessment.

In parallel, the Company continues to proactively manage its cyber security profile, undertaking regular external threat assessments, penetration testing, and system audits in line with best practice frameworks. These measures support the security of both physical and digital IP assets across Li-S Energy's operational and development environments.

LITHIUM FOIL PRODUCTION

During FY25, Li-S Energy successfully advanced its strategy to establish Australia's first in-house lithium metal foil production capability. This strategic initiative was driven by the Company's need for high-quality, tightly specified lithium foil to support its lithium sulfur and lithium metal cell programs, and by the potential broader global market demand for advanced lithium foils and laminates.

Following the award of a $1.7 million Industry Growth Program (IGP) grant in August 2024, the Company progressed the design, procurement and installation phases for its integrated lithium foil production line. Installation of the lithium foil extruder was completed shortly after the financial year-end, and in July 2025, Li-S Energy announced the successful production of its first 100-micron lithium metal foil, meeting commercial-grade specifications. Videos of this equipment can be found at: www.lis.energy/news-and-resources/#latest-news. At the time of writing the lithium foil roller and laminator/coater have been delivered and are being commissioned.

This milestone represents a major technological and operational achievement. In-house foil production addresses several critical issues associated with previously imported lithium foils, including:

- Inconsistent quality and surface defects in imported foils;
- High costs and long lead times, often with short shelf life upon delivery;
- Non-optimised thicknesses, leading to suboptimal cell weight and energy density; and
- Poor suitability for surface coatings, such as Li-nanomesh, due to surface oxidation.

By controlling the production process internally, Li-S Energy can optimise foil thickness and format for different cell designs, enhance battery performance, and produce foils suitable for immediate coating or lamination. In addition, the pristine surface of freshly rolled lithium foil supports the Company's ability to apply proprietary surface treatments, including Li-nanomesh and other advanced coatings, to create specialty anodes.

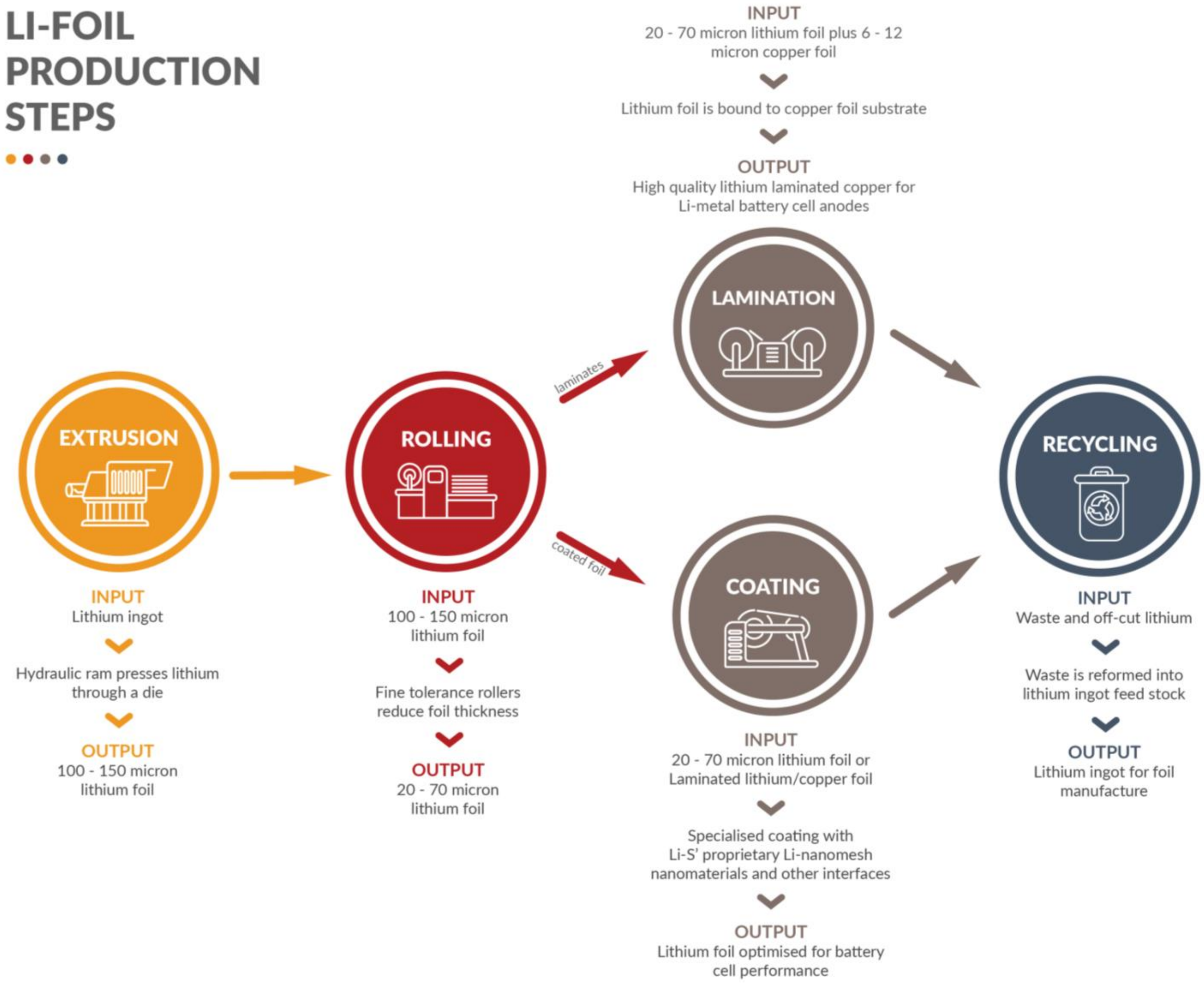

Diagram 2: Lithium foil production process steps

The Company also sees strong commercial potential in the export market for lithium foils and laminates. With global demand for lithium metal foils projected to reach USD $51 billion by 2032[1], Li-S Energy intends to offer customised foil and laminate solutions to international battery manufacturers, R&D institutions, and advanced cell developers. These export-focused activities are expected to create a future revenue stream independent of Li-S Energy's own cell manufacturing roadmap.

The new production line is co-located within the Company's Phase 3 facility and dry room to maintain full environmental control, take advantage of the existing dry room infrastructure and operating costs, and ensure compatibility with the broader cell production ecosystem.

[1] https://www.emergenresearch.com/industry-report/lithium-foil-market

REVIEW OF FINANCIAL CONDITION

Financial Performance

In FY25, the Group recorded a net loss after tax of $6,413,653 (2024: $4,623,970 net loss after tax) and includes a non-cash loss of $1,052,785 on revaluation of the investment in Zeta Energy, which is held at fair value through the profit or loss (FVTPL).

The result was predominantly driven by:

- $762,117 (2024: $1,100,882) for employee salaries and related expenses.
- $242,898 (2024: $46,667) for directors fees, reflecting the first full year of directors fees being cash settled.
- $955,022 (2024: $1,274,230) for professional fees.
- $950,000 (2024: $830,000) for management fees paid to PPK Aust. Pty Ltd (PPK Aust) for the provision of full shared services support, including finance, legal, IT and cyber, and administration services under the Management Services Agreement.
- $181,429 (2024: $270,378) for share based payment expense (non-cash item) to recognise the cost of the service and performance rights issued to executives.
- $2,433,484 (2024: $1,652,758) for administration expenses.
- $1,909,681 (2024: $845,053) for depreciation and amortisation expenses (non-cash item), primarily driven by the commissioning of the phase 3 production facility.
- $1,052,785 (2024: gain of $2,362) for unrealised loss on revaluation (non-cash item) of investment held at FVTPL.

  partly offset by:
- $1,247,392 (2024: $1,476,667) in finance income.
- $910,149 (2024: $4,000) in other income, primarily government grants.

Financial Position

At 30 June 2025, the Group had total assets of $38,147,655 (2024: $45,144,877), primarily consisting of:

- $14,855,487 (2024: $22,811,343) of cash and cash equivalents.
- $5,557,420 (2024: $6,610,205) in other financial assets.
- $8,976,721 (2024: $7,055,739) of intangible assets.
- $5,430,480 (2024: $6,243,995) of property, plant and equipment.

The Group has total liabilities of $2,853,568 (2024: $2,656,503) resulting in total net assets of $35,294,087 (2024: $42,488,374).

At 30 June 2025, the Group held $18,855,487 in cash and current financial assets to fund the ongoing operations and continuing research and development programs of the business.

This section should be read in conjunction with the Review of Operations set out in the Directors report, along with the audited financial statements that follow.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs during the period.

DIVIDENDS

There were no dividends declared or paid during the period.

MATTERS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There has been no matter or circumstance that has arisen since the end of the financial period which is not otherwise dealt with in this report or in the financial statements that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

FUTURE DEVELOPMENTS

The Company continues to target the below four key strategic priorities:

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 our significant Government Grants and 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.

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 a range of licensing and funding models.

We believe that these four priorities will position us for long-term sustainable growth and the creation of shareholder value.

OPTIONS AND UNISSUED SHARES

As at the date of this report, there are:

- 1,606,795 outstanding Service Rights granted under the NED Equity Plan;
- 1,200,000 outstanding Service Rights under the Executive Rights Plan; and
- 3,360,640 outstanding Performance Rights under the Long Term Incentive Plan (LTIP).

See the Remuneration Report below for further information.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (unaudited)

The operations of the Company are not subject to any particular and significant environmental regulation under a law of the Commonwealth or any State or Territory.

The Company will shortly finalise and release its latest Sustainability Report, which continues the efforts initiated since the Company's listing in 2021. The Company regularly reviews and updates its approach to environmental, social, and governance (ESG) issues. A primary focus of its ESG strategy is the development of battery technology intended to contribute to the global goal of achieving net zero emissions.

We continue to monitor the thresholds for mandatory reporting requirements. At this stage, the Sustainability Report is not prepared in accordance with the relevant Australian Sustainability Reporting Standards (ASRS) issued by the Australian Accounting Standards Board (AASB) and will not be audited.

REMUNERATION REPORT (audited)

The Directors of the Company present the Remuneration Report for the year ended 30 June 2025. This Report has been prepared in accordance with the requirements under the *Corporations Act 2001* and applicable Accounting Standards. This report forms part of the Directors' Report and, unless otherwise indicated, has been audited in accordance with section 300A of the *Corporations Act 2001*.

Key Management Personnel ("KMP"), as defined in AASB 124 *Related Party Disclosures*, are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly.

The table below outlines the KMP of the Company for the year ended 30 June 2025 and up to the date of this report:

Name	Position	Term as KMP
Directors		
Ben Spincer	Non-Executive Chair	Full financial year
Robin Levison	Non-Executive Director	Retired 31 August 2024
Hedy Cray	Non-Executive Director	Full financial year
Marc Fenton	Non-Executive Director	Retired 18 February 2025
Rick Francis	Non-Executive Director	Appointed 18 February 2025
Other KMP		
Lee Finniear	Chief Executive Officer (CEO)	Full financial year
Steve Rowlands	Chief Technology Officer (CTO)	Full financial year
Glenn Molloy	Chief Strategic Advisor (CSA)	Full financial year
Sarah Price	Chief Financial Officer (CFO)	Full financial year

Remuneration Policy

The remuneration policy of the Company has been designed to align directors' and executives' objectives and performance with shareholder and business results by providing a fixed remuneration component and offering specific Short Term Incentives (STIs) based on key performance areas affecting the Company's financial results and Long Term Incentives (LTIs) based on retention of key people.

The Li-S Board believes the remuneration policy to be appropriate and effective in its ability to attract, retain and motivate directors and executives of a high quality and standard to manage the affairs of the Company and create goal congruence between directors, executives and shareholders.

The remuneration policy, setting the terms and conditions for directors and executives was developed by the Board. The policy for determining the nature and amount of remuneration for board members and executives is detailed in the paragraphs which follow.

Remuneration of non-executive directors is determined by the Board from the maximum amount available for distribution to the non-executive directors as approved by shareholders. In determining the appropriate level of directors' fees, data from surveys undertaken of other public companies similar in size or market section to the Company is taken into account. Currently this amount is set at $800,000 per annum in aggregate and was approved by shareholders at the Annual General Meeting held in November 2021.

Non-Executive Directors (NEDs)

The following table details the total compensation each Non-Executive Director is entitled to receive in relation to their duties as a Director of LIS, The Directors do not receive any additional fees for participation on any Committees.

Director	Directors' Fees $ (including superannuation)
Ben Spincer[1]	120,000
Robin Levison	80,000
Hedy Cray	80,000
Marc Fenton[2]	-
Rick Francis	80,000

[1] Director fees for Ben Spincer include his responsibilities as the Chairman

[2] No remuneration value was set for Marc Fenton in respect of his appointment as a Director, as he held an executive role at PPK Group Limited.

Executives

The Board is responsible for approving remuneration policies and packages applicable to executives of the Company. The broad remuneration policy is to ensure that the remuneration package properly reflects the person's duties and responsibilities and that the remuneration is competitive in attracting, retaining and motivating people of high quality and standard.

A review of the compensation arrangements for executives is conducted by the full Board at a duly constituted Directors' meeting. The Board conducts its review annually based on established criteria which includes:

- the individual's performance;
- reference to market data for broadly comparable positions or skill sets in similar organisations or industry;
- the performance of the Company during the relevant period; and
- the broad remuneration policy of the Company.

Executives may receive bonuses and/or fees based on the achievement of specific goals of the consolidated entity.

Company Performance and Shareholder Wealth for Executive Remuneration

Statutory performance indicators

	2025 $	2024 $	2023 $	2022 $	2021 $
Profit/(loss) after income tax expense	(6,413,653)	(4,623,970)	(3,335,522)	(6,271,817)	(1,684,391)
Revenue	-	-	-	-	-
Share price at period end ($/Share)	0.11	0.13	0.24	0.44	-
Basic earnings/(loss) per share (c/Share)	(1.01)	(0.73)	(0.52)	(0.99)	(0.29)
Diluted earnings/(loss) per share (c/Share)	(1.01)	(0.73)	(0.52)	(0.99)	(0.29)
Dividends declared (c/Share)	-	-	-	-	-

The two methods employed in achieving this are:

Short Term Incentives (STI)

LIS has a STI plan in place for eligible executives which is ordinarily paid as cash above their normal contracts and aligned with key performance indicators (KPIs) as determined by the Board. The KPIs are developed from the strategic and operating plans and are chosen to reflect the core drivers of short-term performance and deliver sustainable value to the Company, its shareholders and its customers.

The KPIs for this financial year applying to the CEO were based on the following key metrics:

Key metric	Targets	Weighting
Shareholders	Delivery of the shareholder and strategic investor plan	20%
Financial	Delivery of new grant funding opportunities, and exceeding revenue and cash flow targets as determined by the Board.	30%
Operational	Delivery of the operational plan set by the Board.	30%
Research	Complete agreed research program and protection of new IP developed.	10%
ESG/OH&S/Risk	Develop and enhance the Company's ESG, OH&S, and risk management frameworks.	10%

No other members of the KMP are eligible to participate in the STI.

Participation in the STI is considered on an annual basis, at the discretion of the Board. Awards for the current year are assessed by the Board, and granting of any STI amounts is at their discretion, taking into account the individual's performance against the above metrics. Such awards are normally settled in cash, however the Board retains the discretion to instead settle any such amounts in performance rights.

Long Term Incentives

In FY25 the Company granted 1,979,889 performance rights (FY25 Performance Rights) to specific executive officers and senior staff of the Company under the terms of the Long Term Incentive Plan (LTIP), of which 912,177 were issued to KMP. The fair value of these performance rights was calculated on the grant date and was recognised over the 12 month service period ending in June 2025. The vesting of the performance rights granted is based on the achievement of specified internal and external vesting conditions. The fair value of the performance rights granted to KMP has been calculated using a binomial option pricing model based on numerous variables including the following:

FY25 Performance rights – CTO grant Award date 18 December 2024	
Vesting date	30-Jun-27
Expiry date	18-Dec-39
Number of performance rights granted	912,177
Share price at grant date	$0.1500
Average fair value at grant date	$0.1225
Exercise price	$Nil
Expected life	2.53 years
Volatility	80.00%
Risk free interest rate	3.83%
Dividend yield	Nil
Outperformance hurdle - rTSR	25.00%
Outperformance hurdle - aTSR	200.00%

The measurements used for the FY25 Performance Rights granted to a KMP are as follows:

Nature	Weighting	Fair value at grant date	# of Rights granted to KMP
Revenue Goals	15.0%	$0.1500	136,827
Strategic Goals	15.0%	$0.1500	136,827
Operational Goals	15.0%	$0.1500	136,827
ESG Goals	5.0%	$0.1500	45,608
rTSR	25.0%	$0.1172	228,044
aTSR	25.0%	$0.0728	228,044

The relative TSR (rTSR) metric requires the Company to outperform the TSR of the MSCI Global Alternative Energy Index by 25% over the Measurement Period.

The absolute TSR (aTSR) metric requires the Company to achieve a share price uplift of at least 300% over the Measurement Period by reference to the volume weighted average price (VWAP) used to calculate the initial grant of FY25 rights.

A summary of the material terms of the FY25 LTIP is as follows:

Plan Structure	The LTIP is managed by a Trust, which was adopted in March 2023. The Board has appointed LIS Plans Pty Ltd (a subsidiary of LIS) as the Trustee.
Term	Each Right has a Term of 15 years and, if not exercised within that Term the Rights will lapse.
Eligibility	Participation is expected to be open to certain senior executives and management of the Company only. The number of Rights granted are expected to reflect market standard percentages of fixed pay. Directors are not eligible to participate in the LTIP. Senior executives were not eligible to participate in the LTIP where they were issued rights under the earlier Executive Rights Plan for the relevant period.
Performance Rights	Each vested Right can be exercised for one share in Li-S Energy Limited.
Measurement Period	The Measurement Period for the FY25 Performance Rights is a period of 3 years from 1 July 2024 to 30 June 2027.
Vesting Conditions	The nature and weighting of the vesting conditions are broadly consistent for each Participant but are tailored for the role that each Participant performs. The Board will use their judgement to assess whether the vesting conditions have been met.
Gates	No Gates have been attached to these Tranches of Rights.
Vesting and Vesting Date	Rights will typically vest following the completion of the Measurement Period based on an assessment of the Vesting Conditions, however Rights may vest before the end of the Measurement Period in some limited circumstances.
Exercise Restrictions	No Exercise Restrictions have been attached to these Tranches of Rights.
Disposal Restrictions	Rights may not be disposed of at any time but they may be exercised following vesting. No additional Restrictions have been attached to the Shares that may be acquired when vested Rights are exercised. Thus, the Disposal Restrictions that apply to the Shares will arise from the Company's Securities Trading Policy and the insider trading provisions of the Corporations Act.
Exercise and Exercise Price	The Exercise Price is nil (no amount needs to be paid by the Participant in order to exercise the Rights). Vested Rights may be exercised at any time after the Vesting Date and before the end of their Term. In order to exercise vested Rights, a Participant must validly submit an Exercise Notice. On exercise of vested Rights, the Board will issue a Settlement Notice and ensure that there are a sufficient number of Shares available to satisfy the exercised Rights. The Board will not ordinarily settle the exercised vested Rights in cash.
Termination of Employment	If a Participant's employment with the Company ceased during FY25, the FY25 Rights would have been forfeited in the proportion that the remainder of the FY25 bears to the full FY25. Remaining unvested Rights will be retained by the Participant, subject to the Malus and Clawback provisions, with a view to testing for possible vesting having regard to performance during the Measurement Period up to the date of cessation of employment. The Board will be convened where required to consider any such off-cycle assessment of vesting conditions.

	Vested Rights held following a termination of employment may now continue to be held by the Participant unless the Board determines otherwise.
Malus and Clawback	Rights may be forfeited at any time, including during and subsequent to a Participant's employment with the Company, should the Malus and Clawback provisions come into play.
No Hedging	Participants must not enter into an arrangement with anyone if it would have the effect of limiting their exposure to risk in relation to Rights (vested or unvested) or Restricted Shares. This is a Corporations Act requirement.
Change of Control	If a de-listing is imminent, vesting will automatically occur at the level derived from application of the following formula: Number of Performance Rights in Tranche to Vest = Unvested Performance Rights in Tranche X % of First Year of Measurement Period Elapsed Additional vesting will occur to the extent, if any, determined by the Board and any remaining unvested Rights will lapse; and Restricted Shares will cease to be subject to Specified Disposal Restrictions, and any CHESS holding locks will be removed if applicable, unless otherwise determined by the Board. In other cases of a change of control the Rights will remain on foot, subject to possible modification of Vesting Conditions, for testing for vesting at the end of the Measurement Period.

Executive Rights Plan

Pre IPO, LIS adopted a plan called the Executive Rights Plan (**Executive Rights Plan**) under which the Board of the Company invited certain eligible persons to apply for Service Rights or Performance Rights to be issued in accordance with, and subject to the terms of, the Executive Rights Plan. The Executive Rights Plan was approved by shareholders at the Annual General Meeting held on 24 November 2021. The Executive Rights Plan was superseded by the LTIP after approval at the Annual General Meeting held on 10 November 2022. The LTIP is due for reapproval by shareholders at the upcoming Annual General Meeting in November 2025.

On 12 November 2020 the CEO was granted 1,000,000 Service Rights which vested in four equal tranches on 30 April 2022, 2023, 2024 and 2025, subject to continuity of employment during the Measurement Periods. The Service Rights at the time that they were granted were independently valued at $0.065 each and have a nil exercise price. Each consecutive tranche commenced annually on the vesting date of the prior tranche and, if the CEO had ceased employment during a tranche, then Service Rights for that tranche would have vested in proportion to the time elapsed as served in the tranche and all subsequent tranches will lapse. The CEO has now met the vesting requirements for all four Tranches.

On 15 June 2022 the CTO was granted 200,000 Service Rights which vested on 30 June 2022. The Service Rights were valued at $0.425 each, being the closing share price at the date of the grant and have a nil exercise price. The CTO's Service Rights have fully vested.

Each Service Right is an entitlement, upon exercise, to an ordinary fully paid Share in the Company. The Board may at any time by written instrument, or by resolution of the Board, amend or repeal all or any of the provisions of the Plan. Non-Executive Directors are excluded from Participation in the Plan.

The Service Rights may not be disposed of at any time except by force of law such as on death. Service Rights may be exercised at any time once they have vested.

Each Service Right has a term ending 15 years after the grant date. If not exercised before the end of their term the Service Rights will lapse. The term will be reduced if vested Service Rights are not exercised as required following cessation of being an employee of the Company.

Remuneration Details for the year ended 30 June 2025 for the KMP

Statutory remuneration disclosures are prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and include share-based payments expensed during the financial year, calculated in accordance with AASB 2 *Share-based payments*.

Non-Executive Director remuneration for the years ended 30 June 2025 and 30 June 2024:

		Short-term benefits			Post-employment benefits	Share-based payments		
	Year	Salary and fees[1]	Cash Bonus	Non-monetary benefits	Superannuation benefits	Service Rights[2]	Total	Performance related percentage
		$	$	$	$	$	$	%
B Spincer	2025	107,623	-	-	12,377	-	**120,000**	-
	2024	18,018	-	-	1,982	15,376	**35,376**	-
R Levison	2025	13,333	-	-	-	-	**13,333**	-
	2024	13,333	-	-	-	10,251	**23,584**	-
H Cray	2025	80,000	-	-	-	-	**80,000**	-
	2024	13,333	-	-	-	10,251	**23,584**	-
A McDonald	2025	-	-	-	-	-	**-**	-
	2024	-	-	-	-	7,297	**7,297**	-
M Fenton	2025	-	-	-	-	-	**-**	-
	2024	-	-	-	-	-	**-**	-
R Francis	2025	26,479	-	-	3,045	-	**29,524**	-
	2024	-	-	-	-	-	**-**	-
Total Directors	**2025**	**227,435**	**-**	**-**	**15,422**	**-**	**242,857**	
	2024	**44,684**	**-**	**-**	**1,982**	**43,175**	**89,841**	

[1] The NEDs commenced being paid in cash effective 1 May 2024, on expiry of the NED Equity Plan.
[2] The share-based payment is based on progressive recognition of each award grant over its expected vesting period, which results in an increased cost in the earlier years of the NED Equity Plan and a reduced cost in later years. The plan expired on 30 April 2024.

Executive KMP remuneration for the years ended 30 June 2025 and 30 June 2024:

		Short-term benefits			Post-employment benefits	Share-based payments		
	Year	Salary and fees	Cash Bonus	Non-monetary benefits	Superannuation benefits	Service & Performance Rights[3]	Total	Performance related percentage
		$	$	$	$	$	$	%
L Finniear	2025	339,290	98,970[4]	-	30,000	1,344	**469,604**	21%
	2024	328,690	68,083	-	29,792	5,839	**432,404**	16%
S Rowlands	2025	221,704	51,912[5]	-	26,605	100,568	**400,789**	38%
	2024	214,000	54,522[5]	-	27,382	75,829	**371,733**	35%
G Molloy[1]	2025	71,750	-	-	-	-	**71,750**	-
	2024	105,000	-	-	-	-	**105,000**	-
S Price[2]	2025	-	-	-	-	-	**-**	-
	2024	-	-	-	-	-	**-**	-
Total Executive KMP	**2025**	**632,744**	**150,882**	**-**	**56,605**	**101,912**	**942,143**	
	2024	**647,690**	**122,605**	**-**	**57,174**	**81,668**	**909,137**	

[1] Remunerated through a consulting agreement at an agreed hourly rate for work undertaken on behalf of the Company.
[2] Remunerated by PPK Aust, pursuant to the management services agreement, under which $950,000 (2024: $830,000) was charged during the period, which included fees for KMP services.
[3] The share-based payment is based on progressive recognition of each award grant over its relevant service or performance period, which for multi-year grants results in an increased cost in the earlier years of both the Executive Rights Plan and LTIP, and a reduced cost in later years.
[4] The cash bonus recorded for Dr Finniear in 2025 is comprised of the accrued bonus at 30 June 2025 of $98,970, representing a 67% achievement of the target (FY24: 46%).
[5] The cash bonus recorded for Dr Rowlands in 2025 is comprised of the accrued bonus at 30 June 2025 of $51,912, representing a 70% achievement of the target (FY24: 70%). The FY24 bonus recorded included a true up for the difference between the FY23 bonus accrued and paid.

Employment Contracts with Key Management Personnel

Key management personnel are employed under terms and conditions that are standard for agreements of this nature, including confidentiality, restraint on competition, retention of intellectual property provisions, and termination clauses.

Dr Lee Finniear (Chief Executive Officer)

Term	Commenced 1 July 2021 with no fixed term
Remuneration	Fixed remuneration of $369,290 inclusive of superannuation, effective 1 July 2024. Dr Finniear participates in the Company's short term incentive (STI) plan, where he can receive up to 40% of his base remuneration for meeting key performance indicators (KPIs) set by the Directors. Furthermore, Dr Finniear was issued 1,000,000 service rights on 12 November 2020, which have all now vested.
Termination	The agreement may be terminated at any time by either party giving six months written notice.

Dr Steve Rowlands (Chief Technology Officer)

Term	Commenced 1 July 2021 with no fixed term
Remuneration	Fixed remuneration of $247,200 inclusive of superannuation, effective 1 July 2024. Dr Rowlands participates in the Company's short term incentive (STI) plan, where he can receive up to 30% of his base remuneration for meeting KPIs set by the CEO and Directors. Dr Rowlands is also eligible to participate in the Company's LTIP, and was issued 912,177 performance rights for the current performance year.
Termination	The agreement may be terminated at any time by either party giving six months written notice.

Glenn Molloy (Chief Strategic Advisor)

Term	Commenced 12 July 2021 for an initial period of 24 months. Agreement has now transitioned to a rolling 12 month agreement.
Remuneration	A daily rate as agreed between the parties reflective of work commitment and strategy.
Termination	The agreement may be terminated at any time by either party giving three months written notice.

Sarah Price (Chief Financial Officer)

Term	Commenced 23 May 2023. Agreement is per Management Services Agreement (MSA) with PPK Aust. Pty Limited, entered into on 9 July 2021 for an initial term of 3 years, and extended for a further 3 year term (see Note 29).
Remuneration	CFO is remunerated by PPK Group Limited, with cost of service incorporated in the monthly fee paid in accordance with the MSA. The total fee paid under the MSA in 2025 was $950,000 (2024: $830,000).
Termination	See Note 29 for the termination conditions allowed under the MSA.

Relevant interests in the Company's shares by KMP (including shares held directly, or controlled by a related party of the KMP)

Directors

		Ordinary Shares					
	Year	Opening Balance #	Acquired via exercise of rights #	Acquired on market #	Sold #	Transferred / Other Mvmt #	Closing Balance #
B Spincer	2025	200,000	-	-	-	-	**200,000**
	2024	200,000	-	-	-	-	**200,000**
R Levison[1]	2025	2,540,549	-	-	-	(2,540,549)	**-**
	2024	2,540,549	-	-	-	-	**2,540,549**
H Cray	2025	170,951	480,000	-	-	22,857	**673,808**
	2024	170,951	-	-	-	-	**170,951**
M Fenton[2]	2025	17,540	-	33,815	-	(51,355)	**-**
	2024	-	-	-	-	17,540	**17,540**
R Francis[3]	2025	-	-	-	-	-	**-**
	2024	-	-	-	-	-	**-**
Total Directors	**2025**	**2,929,040**	**480,000**	**33,815**	**-**	**(2,569,047)**	**873,808**
	2024	**2,911,500**	**-**	**-**	**-**	**17,540**	**2,929,040**

[1] Final holding on date retired as a Director (31 August 2024)
[2] Final holding on date retired as a Director (18 February 2025). Other movements relates to the receipt of 1,599 shares as a result of an in-specie distribution by PPK Group Limited on 31 October 2024, and the transfer from PPK Group Limited of 467,200 shares as part of the settlement of his FY24 short term incentive. As these shares were obtained during the same period Mr Fenton ceased to be a Director, these are effectively shown as a net-off in the other movements. The final holding on the date of retirement was 520,154 shares.
[3] Appointed as a Director on 18 February 2025

Executive KMP

		Ordinary Shares					
	Year	Opening Balance #	Acquired via exercise of rights #	Acquired on market #	Sold #	Transferred / Other Mvmt #	Closing Balance #
L Finniear	2025	200,000	-	-	-	-	**200,000**
	2024	200,000	-	-	-	-	**200,000**
S Rowlands	2025	-	-	-	-	-	**-**
	2024	-	-	-	-	-	**-**
G Molloy[1]	2025	10,325,778	-	1,000	(1,000,000)	6,353,557	**15,680,335**
	2024	10,325,778	-	-	-	-	**10,325,778**
S Price[1]	2025	40,500	-	34,600	-	67,244	**142,344**
	2024	-	-	40,500	-	-	**40,500**
Total Executive KMP	**2025**	**10,566,278**	**-**	**35,600**	**(1,000,000)**	**6,420,801**	**16,022,679**
	2024	**10,525,778**	**-**	**40,500**	**-**	**-**	**10,566,278**

[1] Other movement relate to shares acquired as a result of an in-specie distribution of Li-S Energy shares by PPK Group Limited on 31 October 2024.

As at the end of the financial year, the number of service rights and performance rights in LIS held by each KMP for the year ended 30 June 2025 is set out below:

	Service Rights							
	Opening Balance	Granted as Remuneration	Exercised	Lapsed or forfeited	Closing Balance	Vested and exercisable	Vested and unexercisable	Unvested
	#	#	#	#	#	#	#	#
B Spincer	720,000	-	-	-	**720,000**	720,000	-	-
R Levison[1]	480,000	-	-	-	**480,000**	480,000	-	-
H Cray	480,000	-	(480,000)	-	**-**	-	-	-
M Fenton	-	-	-	-	**-**	-	-	-
R Francis	-	-	-	-	**-**	-	-	-
Total Directors	**1,680,000**	**-**	**(480,000)**	**-**	**1,200,000**	**1,200,000**	**-**	**-**
Executives								
L Finniear	1,000,000	-	-	-	**1,000,000**	1,000,000	-	-
S Rowlands	200,000	-	-	-	**200,000**	200,000	-	-
G Molloy	-	-	-	-	**-**	-	-	-
S Price	-	-	-	-	**-**	-	-	-
Total Executives	**1,200,000**	**-**	**-**	**-**	**1,200,000**	**1,200,000**	**-**	**-**
Total KMP	**2,880,000**	**-**	**(480,000)**	**-**	**2,400,000**	**2,400,000**	**-**	**-**

[1] Final holding on date retired as a Director (31 August 2024). The service rights remain exercisable.

	Performance Rights							
	Opening Balance	Granted as Remuneration	Exercised	Lapsed or forfeited	Closing Balance	Vested and exercisable	Vested and unexercisable	Unvested
	#	#	#	#	#	#	#	#
L Finniear	-	-	-	-	**-**	-	-	-
S Rowlands	876,493	912,177	-	-	**1,788,670**	-	-	1,788,670
G Molloy	-	-	-	-	**-**	-	-	-
S Price	-	-	-	-	**-**	-	-	-
Total Executives	**876,493**	**912,177**	**-**	**-**	**1,788,670**	**-**	**-**	**1,788,670**

The relevant interest of each Director in shares and rights issued by the Company as at the date of this report are as follows:

	Ordinary shares	Service Rights	Total Securities
	#	#	#
B Spincer	200,000	720,000	**920,000**
H Cray	673,808	-	**673,808**
R Francis	-	-	**-**
Total Directors	**873,808**	**720,000**	**1,593,808**

OTHER TRANSACTIONS WITH RELATED PARTIES OF THE COMPANY

There were no other transactions with directors and/or their related parties during the year.

(End of the Remuneration Report)

DIRECTORS' MEETINGS

The number of meetings of Directors held during the year and the number of meetings attended by each Director is as follows:

	Directors' Meetings		Audit & Risk Committee Meetings	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Ben Spincer	13	13	N/A	N/A
Robin Levison	3	3	1	1
Hedy Cray	13	13	3	3
Marc Fenton	9	9	1	1
Rick Francis	4	3	-	-

CORPORATE GOVERNANCE STATEMENT

LIS's directors and management are committed to conducting business ethically and in accordance with high standards of corporate governance. A copy of LIS's 2025 Corporate Governance Statement can be found in the corporate governance section of LIS's website at http://www.lis.energy.

MATERIAL BUSINESS RISKS

Li-S Energy's future prospects are subject to a range of uncertainties typical of early-stage advanced battery companies. The Board oversees risk through its risk management framework, risk appetite settings and a Group risk register reviewed periodically. Set out below are the material business risks that could reasonably be expected to affect the Group's achievement of its strategy and financial performance as at the date of this report.

- Technology: The technology may not achieve the target energy density or cycle life required to be enable commercialisation, or may be outcompeted on cost, time to market or market readiness.
- Intellectual property and cyber security: Protecting proprietary know-how and avoiding third-party infringement claims are critical to defensibility and commercialisation. These are high value targets for cyber criminals that has the potential to impact progress and commercial viability.
- People: The Company is reliant on specialised talent, which is difficult to substitute. Loss of key staff can delay progress.
- Funding and liquidity: Ongoing R&D, prototyping and scale-up require capital. The timing of grants, access to capital, and revenue is uncertain, which may affect the Company's ability to remain adequately capitalised.
- Customer and market risk: Timing of conversion of partner collaborations to commercial offtake agreements is uncertain. Limited revenue generating opportunities may impact the Company's cashflow and ability to scale to Phase 4 and beyond
- Regulatory: challenges in achieving UN38.3 certification may slow the Company's ability to ship cells quickly and efficiently.

In accordance with the Recommendations, the Board has:

- Received and considered reports from management regarding the effectiveness of the Company's management of its material business risks; and
- Received assurance from the people performing each of the Chief Executive Officer and Chief Financial Officer functions regarding the consolidated financial statements and the effective operation of risk management systems and internal controls in relation to financial reporting risks.

AUDIT AND RISK COMMITTEE

The details of the composition, role and Charter of the LIS's Audit and Risk Committee are available on the Company's website at www.lis.energy.

During the reporting period, the Li-S Energy Audit Committee consisted of the following:

Hedy Cray	Non-Executive Director, Chairperson
Robin Levison	Non-Executive Director (retired 31 August 2024)
Marc Fenton	Non-Executive Director (appointed 17 December 2024; retired 18 February 2025)
Rick Francis	Non-Executive Director (appointed 18 February 2025)

The Company's lead External Audit Partner, the Chairman, Chief Executive Officer and Chief Financial Officer and selected consultants attend meetings of the Audit Committee by standing invitation.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

DIRECTORS' INDEMNIFICATION

During or since the end of the financial year the company has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

Each of the Directors and Company Secretaries of LIS have entered into a deed whereby the Company has provided certain contractual rights of access to books and records of LIS to those Directors and Company Secretaries. The company has insured all its Directors and Executive Officers. The contract of insurance prohibits the disclosure of the nature of the liabilities covered and amount of the premium paid. The *Corporations Act 2001* does not require disclosure of the information in these circumstances.

AUDITOR'S INDEMNIFICATION

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

NON-AUDIT SERVICES

Non-audit services provided by the Company's auditor, Ernst & Young, in the current financial period and prior financial year included taxation advice and other advisory services. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

During the year, the following fees were paid or payable for non-audit services provided by the auditor of the company and its related practices:

	2025	**2024**
	$	**$**
Taxation advice and other advisory services	-	19,500

ROUNDING OF ACCOUNTS

The amounts contained in the financial report have been rounded to the nearest dollar (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which this legislative instrument applies.

AUDITORS INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* (Cth) for the year ended 30 June 2025 and a copy of this declaration forms part of this Directors' Report.

Signed in accordance with a resolution of the Board of Directors.

BEN SPINCER
Chairman

HEDY CRAY
Non-Executive Director

Brisbane, 21 August 2025

Ernst & Young
111 Eagle Street
Brisbane QLD 4000 Australia
GPO Box 7878 Brisbane QLD 4001

Tel: +61 7 3011 3333
Fax: +61 7 3011 3100
ey.com/au

Shape the future
with confidence

Auditor's independence declaration to the directors of Li-S Energy Limited

As lead auditor for the audit of the financial report of Li-S Energy Limited for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Li-S Energy Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Madhu Nair
Partner
21 August 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2025

	Notes	30 June 2025 $	30 June 2024 $
Revenue from contracts with customers		**-**	-
Finance income		**1,247,392**	1,476,667
Other income		**910,149**	4,000
Employee benefits expenses		**(762,117)**	(1,100,882)
Directors fees		**(242,898)**	(46,667)
Professional fees		**(955,022)**	(1,274,230)
Management fees	29.2	**(950,000)**	(830,000)
Share based payments expense	7.1	**(181,429)**	(270,378)
Administration expenses		**(2,433,484)**	(1,652,758)
Depreciation and amortisation expense	14.1	**(1,909,681)**	(845,063)
Finance costs		**(83,778)**	(87,021)
Unrealised gain (loss) on investment at FVTPL	11	**(1,052,785)**	2,362
PROFIT (LOSS) BEFORE INCOME TAX EXPENSE		**(6,413,653)**	(4,623,970)
Income tax (expense) benefit	5(a)	**-**	-
PROFIT (LOSS) AFTER INCOME TAX EXPENSE		**(6,413,653)**	(4,623,970)
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		**-**	-
TOTAL COMPREHENSIVE INCOME (LOSS), NET OF TAX		**(6,413,653)**	(4,623,970)
Earnings (loss) per share (in cents)			
Basic	28	**(1.01)**	(0.73)
Diluted	28	**(1.01)**	(0.73)

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	Notes	30 June 2025 $	30 June 2024 $
CURRENT ASSETS			
Cash and cash equivalents	9	**14,855,487**	22,811,343
Trade and other receivables	10	**27,141**	176,769
Financial assets	11	**4,000,000**	2,000,000
Other current assets	12	**22,462**	41,647
TOTAL CURRENT ASSETS		**18,905,090**	25,029,759
NON-CURRENT ASSETS			
Financial assets	11	**1,557,420**	4,610,205
Property, plant and equipment	13	**5,430,480**	6,243,995
Right-of-use assets	14	**821,018**	1,085,120
Other non-current assets	15	**1,857,918**	458,988
Intangible assets	16	**8,976,721**	7,055,739
Deferred tax assets	5(c)	**599,008**	661,071
TOTAL NON-CURRENT ASSETS		**19,242,565**	20,115,118
TOTAL ASSETS		**38,147,655**	45,144,877
CURRENT LIABILITIES			
Trade and other payables	17	**724,854**	745,866
Lease liabilities	18	**239,772**	221,769
Provisions	19	**221,197**	168,389
Deferred government grant income	20	**923,198**	525,495
TOTAL CURRENT LIABILITIES		**2,109,021**	1,661,519
NON-CURRENT LIABILITIES			
Lease liabilities	18	**664,547**	914,984
Provisions	19	**80,000**	80,000
TOTAL NON-CURRENT LIABILITIES		**744,547**	994,984
TOTAL LIABILITIES		**2,853,568**	2,656,503
NET ASSETS		**35,294,087**	42,488,374
EQUITY			
Contributed equity	21	**56,502,519**	56,564,582
Treasury shares	22	**(1,729,589)**	(964,800)
Reserves	23	**2,885,658**	2,839,440
Retained earnings (accumulated losses)		**(22,364,501)**	(15,950,848)
TOTAL EQUITY		**35,294,087**	42,488,374

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2025

	Notes	30 June 2025 $	30 June 2024 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		**(4,694,836)**	(4,613,918)
Management fees paid to related party	29.2	**(950,000)**	(830,000)
Receipts from customers		**1,320**	-
Receipts from tax refunds		**528,909**	776,363
Government grants received		**708,000**	400,000
Interest received		**1,220,405**	1,414,859
Interest paid		**(83,778)**	(87,021)
Net cash from (used in) operating activities	4.1	**(3,269,980)**	(2,939,717)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for intangible assets	16.1	**(2,767,290)**	(2,172,437)
Payments for property, plant and equipment	13.1	**(3,386,181)**	(5,215,661)
Proceeds from government grants for capital acquisitions		**2,588,338**	2,892,398
Payments for acquisition of investments		**-**	(2,000,000)
Net cash from (used in) investing activities		**(3,565,133)**	(6,495,700)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for treasury shares acquired		**(900,000)**	(964,800)
Payment of lease liabilities		**(220,743)**	(239,422)
Net cash from (used in) financing activities		**(1,120,743)**	(1,204,222)
Net increase (decrease) in cash held		**(7,955,856)**	(10,639,639)
Cash at the beginning of the period		**22,811,343**	33,450,982
Cash at the end of the period		**14,855,487**	22,811,343

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2025

	Notes	Contributed Equity $	Treasury Shares $	Share Premium Reserve (Note 23.2) $	Share Rights Reserve (Note 23.1) $	Accumulated Losses $	Total Equity $
Balance as at 1 July 2024		**56,564,582**	**(964,800)**	**1,347,650**	**1,491,790**	**(15,950,848)**	**42,488,374**
Profit (loss) for the period		**-**	**-**	**-**	**-**	**(6,413,653)**	**(6,413,653)**
Other comprehensive income (loss) for the period		**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income (loss) for the period		**-**	**-**	**-**	**-**	**(6,413,653)**	**(6,413,653)**
Issue of service or performance rights for Executives		**-**	**-**	**-**	**181,429**	**-**	**181,429**
Acquisition of treasury shares		**-**	**(900,000)**	**-**	**-**	**-**	**(900,000)**
Issue of treasury shares to employees and Directors		**-**	**135,211**	**-**	**(135,211)**	**-**	**-**
Tax effect of transaction costs on issue of ordinary shares to be deductible over five years	21.1	**(62,063)**	**-**	**-**	**-**	**-**	**(62,063)**
Balance as at 30 June 2025		**56,502,519**	**(1,729,589)**	**1,347,650**	**1,538,008**	**(22,364,501)**	**35,294,087**

for the year ended 30 June 2024

	Notes	$	$	$	$	$	$
Balance as at 1 July 2023		56,626,644	-	1,347,650	1,221,412	(11,326,878)	47,868,828
Profit (loss) for the period		-	-	-	-	(4,623,970)	(4,623,970)
Other comprehensive income (loss) for the period		-	-	-	-	-	-
Total comprehensive income (loss) for the period		-	-	-	-	(4,623,970)	(4,623,970)
Issue of service rights for Non-Executive Directors		-	-	-	43,174	-	43,174
Issue of service or performance rights for Executives		-	-	-	227,204	-	227,204
Acquisition of treasury shares		-	(964,800)	-	-	-	(964,800)
Tax effect of transaction costs on issue of ordinary shares to be deductible over five years	21.1	(62,062)	-	-	-	-	(62,062)
Balance as at 30 June 2024		56,564,582	(964,800)	1,347,650	1,491,790	(15,950,848)	42,488,374

The accompanying notes form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 June 2025

1. CORPORATE INFORMATION

The consolidated financial statements of Li-S Energy Limited ("Li-S Energy" or "LIS" or the "Company" or the "Group") for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the Directors on 21 August 2025 as required by the *Corporations Act 2001.*

Li-S Energy is a for-profit company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange (ASX Code: LIS). Li-S Energy is registered in Queensland and has its head office at Level 13, 120 Edward Street, Brisbane, Queensland, 4000.

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of Preparation and Statement of Compliance

These general purpose financial statements of the Group have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards ("AAS") and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs, except for investments measured at fair value.

The financial statements provide comparative information in respect of the previous period. The accounting policies have been consistently applied unless otherwise stated.

The financial statements are presented in Australian dollars, and all values are in whole dollars ($), unless otherwise stated.

2.2 New and revised standards and amendments that are effective for these financial statements

The below new and revised standards and amendments effective for the financial period ended 30 June 2025 are not material to the Group:

- *AASB 2020-1 Amendments to AAS – Classification of Liabilities as Current or Non-current*
- AASB 2022-6 *Amendments to AASs – Non-current Liabilities with Covenants*
- AASB 2022-5 *Amendments to AASs – Lease Liability in a Sale and Leaseback*

The following new and revised standards and amendments have been issued but are not effective for the financial period ended 30 June 2025.

- AASB 2023-5 *Amendments to Australian Accounting Standards – Lack of Exchangeability*
- AASB 18 *Presentation and Disclosure in Financial Statements*
- AASB 2014-10 *Amendments to AASs – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2024-2 *Amendments to AASs – Classification and Measurement of Financial Instruments*

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The Group assesses the impact of new and revised standards and amendments that are not yet effective on an ongoing basis.

AASB 18 *Presentation and Disclosure in Financial Statements*

AASB 18 has been issued to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss. The key presentation and disclosure requirements established by AASB 18 are:

- The presentation of newly defined subtotals in the statement of profit or loss
- The disclosure of management-defined performance measures (MPM)
- Enhanced requirements for grouping information (i.e., aggregation and disaggregation)

AASB 18 is accompanied with limited consequential amendments to the requirements in other accounting standards, including AASB 107.

AASB 18 introduces three new categories for classification of all income and expenses in the statement of profit or loss: operating, investing and financing. Additionally, entities will be required to present subtotals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

For the purposes of classifying income and expenses into one of the three new categories, entities will need to assess their main business activity, which will require judgement. There may be more than one main business activity.

AASB 18 also requires several disclosures in relation to MPMs, such as how the measure is calculated, how it provides useful information and a reconciliation to the most comparable subtotal specified by AASB 18 or another standard.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. The potential impact includes the presentation of interest income, government grant income and fair value adjustments.

2.3 Foreign currency translation

The financial statements are presented in Australian Dollars (AUD$), which is also the functional currency of all entities in the Group.

Foreign currency transactions during the period are converted to Australian currency at rates of exchange applicable at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses, whether realised or unrealised, resulting from the settlement of such transactions, amounts receivable and payable in foreign currency at the reporting date, and from the re-measurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year end and are measured at historical cost (translated using the exchange rate at the date of the transaction), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 Revenue recognition and other income

To determine whether to recognise revenue, the Company follows a 5-step process:

- Identify the contract with a customer;
- Identify the performance obligation;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when/as performance obligations are satisfied.

Revenue is recognised, based on the transaction price allocated to the performance obligation, after consideration of the terms of the contract and customary business practices. The transaction price is the amount of the consideration that the Company expects to be entitled to receive in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales taxes and duties). The consideration promised in a contract with a customer may include fixed amounts, variable amounts or both.

The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Interest income is recognised as it accrues using the effective interest rate method. The effective interest rate method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Government grants

Income from government grants is recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. When funds are received in advance of these conditions being met, they are recognised as other liabilities on the balance sheet. When the grant relates to an income item, it is recognised in the profit and loss when the Company will comply with all attached conditions. When the grant relates to an expense item, it is recognised in the profit and loss as other operating income on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. When the grant relates to an asset, it is presented in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset.

2.5 Share-based payments

The Company operates equity-settled share right-based incentive plans for its directors and employees.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where directors and employees are rewarded using share right-based payments, the cost of directors' and employees' services is determined by the fair value at the date when the grant is made using an appropriate valuation model and revalued when modified.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance and non-vesting conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions (see Note 7.2).

All share-based remuneration is ultimately recognised in employee benefits expense with a corresponding credit to share rights reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on best available estimate of the number of share rights expected to vest.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Non-market vesting conditions are included in assumptions about the number of share rights that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share rights expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share rights ultimately exercised are different to that estimated on vesting.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

2.6 Finance costs

All borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period that is necessary to complete and prepare the asset for its intended use or sale. Other finance and borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

2.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Investments with original maturities over three months are classified as financial assets in the statements of financial position. Cash and cash equivalents are presented in the consolidated statement of cash flows, net of outstanding bank overdrafts.

2.8 Trade receivables

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through the profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and contract assets, the Company applies a simplified approach to calculating ECLs. The Company recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. At every reporting date, the historical credit loss experience is reviewed and updated, if appropriate, and changes in the forward-looking estimates are analysed. For this financial year, the Company did not have any expected lifetime credit losses.

2.9 Property, plant and equipment

Plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation and impairment. The cost of fixed assets constructed includes the cost of materials used in construction, direct labour and an appropriate proportion of fixed and variable overheads.

The depreciable amount of all fixed assets, including buildings and capitalised leased assets but excluding freehold land, is depreciated over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in the profit and loss of the entity in the year of disposal.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate Straight Line
Leasehold Improvements	Over the term of the lease
Plant & Equipment	10% – 50%

2.10 Intangible assets

Research and Development

Research costs are recognised as an expense as incurred. Costs incurred on development (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria such as a) selling, administrative and other general overhead expenditure, unless this expenditure can be directly attributed to preparing the asset for use; b) identified inefficiencies and initial operating losses incurred before the asset achieves planned performance; and c) expenditure on training staff to operate the asset, are recognised as an expense as incurred.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually. Management has used significant judgement to determine there was no impairment that occurred after the initial recognition of the intangible asset.

2.11 Financial instruments

2.11.1 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Financial assets are classified according to the characteristics of their contractual cash flow and the Company’s business model for managing them. Except for those trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do contain a significant financing component for which the Company has applied the practical expedient are measured at the transaction price as disclosed in Note 2.8.

Fair value

Estimated discounted cash flows or current or recent quoted prices for identical securities in markets that are not active were used to measure fair value, except for fair values of financial assets that were traded in active markets that are based on quoted market prices.

Hierarchy

The following tables classify financial instruments recognised in the statement of financial position of the Company according to the hierarchy stipulated in AASB13 as follows:

- Level 1 – the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – a valuation technique is used using inputs other than quoted prices within Level 1 that are observable for financial instruments, either directly (i.e. as prices), or indirectly (i.e. derived from prices); or
- Level 3 – a valuation technique is used using inputs that are not based on observable market data (unobservable inputs)

The Company's investment in Zeta Energy Corp and Australian unlisted units in investment trusts are measured at fair value through profit and loss and are measured as a Level 3 financial instrument.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss ("FVTPL)", irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date (i.e. the date that the Company commits to purchase or sell the asset).

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through the OCI with no recycling of cumulative gains or losses upon derecognition (equity instruments)
- Financial assets at FVTPL

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, impairment losses or reversals are recognised in the statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Company has no debt instruments at fair value through OCI.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value though OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company has no equity instruments at fair value through OCI.

Financial assets at FVTPL

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement, and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all of the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a "pass-through" arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.11.2 Financial liabilities

Initial measurement and recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at FVTPL
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated up initial recognition as FVTPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are designated as hedging instruments in hedge relationships as defined by AASB 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.11.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a current enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.12 Trade and other payables

These amounts represent unpaid liabilities for goods received and services provided to the Company prior to the end of the financial year. The amounts are unsecured and are normally settled within 30 to 60 days, except for imported items for which 90 or 120 day payment terms are normally available.

2.13 Employee benefit provisions

Salary, wages and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled are recognised in other liabilities or provision for employee benefits in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled.

Long service leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measure as the present value of expected future payments to be made in respect of services provided by employees to the end of the reporting period using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and period of service. Expected future payments are discounted using high quality corporate bond rates at the end of the reporting period with terms to maturity that match as close as possible, the estimated future cash outflows.

Retirement benefit obligations

The Group contributes to defined contribution superannuation funds for employees. All funds are accumulation plans where the Group contributed various percentages of employee gross incomes, the majority of which were as determined by the superannuation guarantee legislation. Benefits provided are based on accumulated contributions and earnings for each employee. There is no legally enforceable obligation on the Group to contribute to the superannuation plans other than requirements under the superannuation guarantee legislation. Contributions are recognised as expenses as they become payable.

2.14 Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets are only recognised for deductible temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or liability if they arose in a transaction other than a business combination that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Current and deferred tax balances relating to amounts recognised directly in other comprehensive income or equity are also recognised directly in other comprehensive income or equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.15 Dividends

Provision is made for dividends declared, and no longer at the discretion of the Company, on or before the end of the financial year but not distributed at the end of the reporting period.

2.16 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identifiable asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the costs reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual lease guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (i.e. changes to future payments resulting from a change in an index or rate to be used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term. Refer to Note 18 for payments made in relation to short-term or low-value leases during the financial year.

Company as a lessor

Leases in which the group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Variable lease payments are recognised as revenue in the period in which they are earned.

2.17 Equity

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefit.

2.18 Provisions, contingent liabilities and contingent assets

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote in which case no liability is recognised.

2.19 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Significant Management Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Capitalisation and impairment of intangibles – development costs

The Company capitalises costs for product development projects. Initial capitalisation of costs is based on Management's judgement, after making inquiries from engineers, scientists and other qualified professionals that technological and economic feasibility is confirmed. In determining the amounts to be capitalised, Management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and expected period of benefits.

Intangible assets not yet ready for use require an annual impairment test. Management has applied significant judgement to determine there was no impairment that occurred after the initial recognition of the intangible assets. Management made this assessment on the basis that the Company has one Cash Generating Unit ("CGU") and both the estimated future discounted cash flows from the CGU and the 30 June 2025 share price, which implied a value for the Company and its assets well in excess of the carrying value of the net assets, which approximates 50% (2024: 53%) of the current market capitalisation. The Directors also expect to achieve forward net positive cash flows in excess of the current value of the intangible assets.

Deferred tax assets

A deferred tax asset is only recognised to the extent that there is reasonable certainty of realising future taxable amounts sufficient to recover the carrying value. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. Further details on taxes are disclosed in Note 5.

Estimates and assumptions

Fair value measurement of financial assets at fair value through profit or loss

When the fair values of financial assets recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is estimated using the discounted cash flow (DCF) model or current or recent quoted prices for identical securities in markets that are not active. The inputs to these methods are taken from observable markets where possible, but where this is not feasible, a degree of judgement and estimate is required in establishing fair values.

In the current financial year, certain financial assets were valued by reference to recent quoted prices in the latest capital raise. Further details on financial assets and its fair values are disclosed in Note 11 and Note 25, respectively.

2.20 Goods and Services Tax (GST)

Revenues and expenses are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet. Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.21 Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

On 21 August 2025, being the date of approval of the financial report, the Directors believe it is appropriate to prepare the financial report on a going concern basis. The Directors have identified and considered:

- during the whole period, and at all times subsequent, the Company has been able to meet its obligations as and when they fall due;
- the Company has $14,855,487 of cash and cash equivalents, a current financial asset at fair value through profit or loss of $2,000,000, a current loan receivable of $2,000,000 and no fixed debt;
- the Company maintains net assets of $35,294,087, which includes net working capital of $16,796,069;
- the Company has project plans and budgets approved by the Directors and its cash flow forecasts indicate it has sufficient cash to meet the planned and committed expenditure over the next year.

The Directors have formed a view that the Company will continue as a going concern.

3. SEGMENT INFORMATION

The Company applies AASB 8 Operating Segments whereby segment information is presented using a “management approach”, segment information is provided on the same basis as information used for internal reporting purposes by the chief operating decision makers.

Operating segments have been determined based on reports reviewed by the Directors. The Directors and the Senior Management are the chief operating decision makers of the Company. The only operating segment for 30 June 2025 is the development and commercialisation of the Li-S Energy Battery segment.

4. CASH FLOW INFORMATION

4.1. Reconciliation of cash flows from operating activities

	Notes	30 June 2025 $	30 June 2024 $
Profit (loss) after income tax		**(6,413,653)**	(4,623,970)
Non-cash flows in operating profit:			
Unrealised (gain)/loss on financial assets at fair value through profit or loss	11	**1,052,785**	(2,362)
Share based payments expense	7.1	**181,429**	270,378
Depreciation and amortisation expense	14.1	**1,909,681**	845,063
Income tax expense (benefit)	5(b)	**-**	-
Net changes in working capital:			
(Increase) decrease in trade and other receivables		**149,628**	11,857
(Increase) decrease in prepayments		**19,185**	51,272
Increase (decrease) in trade and other payables		**(107,701)**	35,319
Increase (decrease) in other current liabilities		**(114,142)**	400,000
Increase (decrease) in provisions		**52,808**	72,726
Net cash (used in) provided by operating activities		**(3,269,980)**	(2,939,717)

4.2. Non-cash financing and investing activities

During the period, the Company had no non-cash adjustments other than new leases, as disclosed in Notes 14 and 18.

5 INCOME TAX EXPENSE

	Notes	30 June 2025 $	30 June 2024 $
(a) The prima facie tax payable (benefit) on the profit (loss) before income tax is reconciled to the income tax expense as follows:			
Profit (loss) before tax		(6,413,653)	(4,623,970)
Prima facie tax payable (benefit) at 25.0% (2024: 25.0%)		(1,603,413)	(1,155,993)
Losses for which no deferred tax asset was recognised		2,066,975	1,107,363
Transaction costs on issue of ordinary shares recognised in equity		(62,063)	(62,062)
Other		(401,499)	110,692
Income tax expense (benefit)		**-**	-
The applicable weighted average effective tax rate is as follows:		**-**	-
(b) The components of tax expense comprise:			
Current tax		**-**	-
Deferred tax		**-**	-
Income tax expense (benefit)		**-**	-

5 INCOME TAX EXPENSE (continued)

	Notes	30 June 2025 $	30 June 2024 $
(c) Deferred tax assets			
The balance comprises temporary differences attributable to:			
Tax losses and tax offsets		**7,483,825**	4,390,176
Lease liabilities		**246,080**	304,188
Investments		**238,374**	-
Black hole expenditure deductible in future years		**127,588**	377,274
Other expenses deductible in future years		**200,655**	115,798
Share based payments		**418,305**	372,948
Total deferred tax assets		**8,714,827**	5,560,384
Set-off of deferred tax liabilities pursuant to set-off provisions	5(d)	**(1,552,609)**	(1,099,205)
Deferred tax assets not recognised	5(f)	**(6,563,210)**	(3,800,108)
Net deferred tax assets	5(e)	**599,008**	661,071

	Notes	30 June 2025 $	30 June 2024 $
(d) Deferred tax liabilities			
The balance comprises temporary differences attributable to:			
Property, plant and equipment		**(2,691)**	-
Right of use assets		**(205,254)**	(271,280)
Intangibles		**(1,344,664)**	(803,103)
Investments		**-**	(24,822)
Total deferred tax liabilities		**(1,552,609)**	(1,099,205)
Set-off of deferred tax liabilities pursuant to set-off provisions	5(c)	**1,552,609**	1,099,205
Net deferred tax liabilities		**-**	-

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. While the deferred tax assets and liabilities above are disclosed gross for completeness, the Company entitled to offset the net positive and negative timing differences as they all occurred within the same tax jurisdiction.

	Notes	30 June 2025 $	30 June 2024 $
(e) Recognised in the Statement of Financial Position			
Recognised deferred tax assets			
Tax losses		**920,615**	590,068
Temporary differences resulting in deferred tax assets		**1,231,002**	1,170,208
Temporary differences resulting in deferred tax liabilities		**(1,552,609)**	(1,099,205)
Total	5(c)	**599,008**	661,071

	Notes	30 June 2025 $	30 June 2024 $
(f) Not recognised in the Statement of Financial Position			
Unrecognised deferred tax assets:			
Tax losses and tax offsets		**6,563,210**	3,800,108
Total	5(c)	**6,563,210**	3,800,108

The benefit of carried forward tax losses of $22,309,253 will only be available in future periods if:

a) Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
b) continued compliance with the requirements of relevant legislation to carry the losses forward, including the continuity of ownership and business continuity tests; and
c) the conditions for deductibility imposed by tax legislation continue to be complied with.

6 AUDITOR'S REMUNERATION

	Notes	30 June 2025 $	30 June 2024 $
Remuneration of the auditor of the Company for:			
- fees for auditing the statutory financial report of the company		**82,888**	93,808
- fees for other services			
- Tax compliance and other tax related matters		**-**	19,500
Total fees to Ernst & Young (Australia)		**82,888**	113,308

7 SHARE-BASED PAYMENTS

7.1 Summary of Share-based payments

The table below outlines the share based payments made by the Group under the various share-based payment plans during the period:

Share-based payments issued under rights plans		
Service rights for directors	**-**	43,174
Service and performance rights issued in previous year	**1,344**	79,693
Performance rights issued in the current year	**180,085**	147,511
Total share-based payments expense	**181,429**	270,378

The table below reconciles the movements in rights on issue under the various share-based payment plans during the period:

Reconciliations **30 June 2025**	**NED Equity Plan # of rights**	**Executive Rights Plan # of rights**	**Long term Incentive Plan # of rights**	**Total # of rights**
Opening balance	**2,086,795**	**1,200,000**	**1,441,595**	**4,728,390**
New rights granted	**-**	**-**	**1,979,889**	**1,979,889**
Rights forfeited	**-**	**-**	**-**	**-**
Rights exercised	**(480,000)**	**-**	**(60,844)**	**(540,844)**
Closing balance	**1,606,795**	**1,200,000**	**3,360,640**	**6,167,435**
Average exercise price ($/share)	**N/A**	**N/A**	**N/A**	**N/A**
30 June 2024				
Opening balance	2,160,000	1,200,000	557,953	3,917,953
New rights granted	-	-	963,036	963,036
Rights forfeited	(73,205)	-	(79,394)	(152,599)
Rights exercised	-	-	-	-
Closing balance	2,086,795	1,200,000	1,441,595	4,728,390
Average exercise price	N/A	N/A	N/A	N/A

7 SHARE-BASED PAYMENTS (continued)

7.2 Share-based payment details

The Company operates three share based payment plans, the Non-Executive Director Equity Plan, the Executive Share Plan, and the Long Term Incentive Plan ("LTIP"). Details of the plans are outlined below. 540,844 share rights have been exercised during the period (2024: nil) (see Note 7.1 for movement reconciliation by plan).

Non-Executive Directors ("NEDs")

LIS has previously adopted the NED Equity Plan under which the Board of the Company invited Non-Executive Directors to apply for Service Rights to be issued in accordance with, and subject to the terms of the Plan. Each Service Right is an entitlement, upon vesting and exercise, to an ordinary fully paid Share in the Company.

The following table sets out the amount of fees that the NEDs sacrificed in return for a grant of Service Rights.

Service Period	Fees Sacrificed ($)	Tranche	Number of Service Rights
NEDs			
May 2021 to April 2022	80,000	1	160,000
May 2022 to April 2023	80,000	2	160,000
May 2023 to April 2024	80,000	3	160,000
Chairman			
May 2021 to April 2022	120,000	1	240,000
May 2022 to April 2023	120,000	2	240,000
May 2023 to April 2024	120,000	3	240,000

NEDs sacrificed annual Director fees of $80,000 for 160,000 Service Rights and the Chairman sacrificed total Director fees of $120,000 for 240,000 Service Rights for each 12 month period ending 30 April 2024. From 1 May 2024, subsequent to the completion of the 3-year NED Equity Plan, the NEDs reverted their remuneration to cash benefits in respect of their duties as Directors. They are not entitled to participate in performance based remuneration practices unless approved by shareholders.

The number of Service Rights were calculated by dividing the amount of sacrificed fees by the Share price of $0.50 per Share being the price at which Shares was issued in the April 2021 capital raise. The fair value of these Service Rights at the time that they were granted have been independently valued at $0.50 each.

The Service Rights were issued as at 1 May 2021 and vested in three equal tranches on 30 April 2022, 2023, and 2024, providing the NED held the office of NED on those dates. Each consecutive tranche commenced annually on the vesting date of the prior tranche. All NEDs met the vesting requirements for Tranches 1, 2, and 3, with Tony McDonald meeting the requirements for Tranche 3 on a pro rata basis to the date of his retirement on 14 November 2023.

Service Rights may not be disposed of at any time except by force of law such as on death. Service Rights may be exercised at any time once they have vested but must be exercised within 90 days of cessation of holding the office of NED and any role as an employee of the Company.

Each Service Right has a term ending 15 years after the grant date. If not exercised before the end of their term the Service Rights will lapse. The term will be reduced if vested Service Rights are not exercised as required following cessation of being a NED.

A NED must not enter into an arrangement with anyone if it would have the effect of limiting their exposure to risk in relation to Service Rights.

If the Board forms the view that a NED has committed an act of fraud, defalcation or gross misconduct in relation to the Company then all unexercised Service Rights will be forfeited.

7 SHARE-BASED PAYMENTS (continued)

Long-term incentive plan

The Company granted 1,979,889 performance rights to specific executive officers and senior staff of the Company under the terms of the Long Term Incentive Plan (LTIP), across two grants in FY25. The fair value of these performance rights was calculated on the grant dates and was recognised over the 12 month service period ending in June 2025. The vesting of the performance rights granted is based on the achievement of specified internal and external vesting conditions. The fair value of the performance rights granted has been calculated using a binomial option pricing model based on numerous variables. A summary of the grants on issue under the Long Term Incentive Plan (LTIP) is as follows:

Grant **Award date**	**FY23** **22-Mar-23**	**FY24** **16-Nov-23**	**FY25 #1** **17-Oct-24**	**FY25 #2** **18-Dec-24**
Vesting date	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-27
Expiry Date	22-Mar-38	16-Nov-38	17-Oct-39	18-Dec-39
Number of performance rights granted at grant date	557,953	963,036	1,067,712	912,177
Share price at grant date	$0.2400	$0.2100	$0.1150	$0.1500
Average fair value at grant date	$0.2125	$0.1604	$0.0828	$0.1225
Exercise price	$Nil	$Nil	$Nil	$Nil
Expected life	2.27 years	2.62 years	2.70 years	2.53 years
Volatility	75.00%	70.00%	60.00%	80.00%
Risk free interest rate	3.002%	4.19%	3.82%	3.83%
Dividend yield	Nil	Nil	Nil	Nil
Outperformance hurdle - rTSR	25.00%	25.00%	25.00%	25.00%
Outperformance hurdle - aTSR	50.00%	200.00%	200.00%	200.00%

The measurements used for the FY25 Performance Rights granted are as follows:

		FY25 Grant #1		**FY25 Grant #2**	
Nature	**Weighting**	**Fair value at grant date**	**# of Rights granted**	**Fair value at grant date**	**# of Rights granted**
Revenue Goals	15.0%	$0.1150	160,157	$0.1500	136,827
Strategic Goals	15.0%	$0.1150	160,157	$0.1500	136,827
Operational Goals	15.0%	$0.1150	160,157	$0.1500	136,827
ESG Goals	5.0%	$0.1150	53,385	$0.1500	45,608
rTSR	25.0%	$0.0705	266,928	$0.1172	228,044
aTSR	25.0%	$0.0305	266,928	$0.0728	228,044

The relative TSR (rTSR) metric requires the Company to outperform the TSR of the MSCI Global Alternative Energy Index by 25% over the Measurement Period.

The absolute TSR (aTSR) metric requires the Company to achieve a share price uplift of at least 300% over the Measurement Period by reference to the VWAP used to calculate the initial grant of FY25 rights.

A summary of the material terms of the FY25 LTIP is as follows:

Plan Structure	The LTIP is managed by a Trust, which was adopted in March 2023. The Board has appointed LIS Plans Pty Ltd (a subsidiary of LIS) as the Trustee.
Term	Each Right has a Term of 15 years and, if not exercised within that Term the Rights will lapse.
Eligibility	Participation is expected to be open to certain senior executives and management of the Company only. The number of performance rights granted are expected to reflect market standard percentages of fixed pay. Directors are not eligible to participate in the LTIP. Senior executives are not eligible to participate in the LTIP where they were issued rights under the Executive Rights Plan for the relevant period.
Performance Rights	Each vested Right can be exercised for one share in Li-S Energy Limited.

7 SHARE-BASED PAYMENTS (continued)

Measurement Period	The Measurement Period for the FY25 Performance Rights is a period of 3 years from 1 July 2024 to 30 June 2027.
Vesting Conditions	The nature and weighting of the vesting conditions are broadly consistent for each Participant but are tailored for the role that each Participant performs. The Board will use their judgement to assess whether the vesting conditions have been met.
Gates	No Gates have been attached to these Tranches of Rights.
Vesting and Vesting Date	Rights will typically vest following the completion of the Measurement Period based on an assessment of the Vesting Conditions, however Rights may vest before the end of the Measurement Period in some limited circumstances.
Exercise Restrictions	No Exercise Restrictions have been attached to these Tranches of Rights.
Disposal Restrictions	Rights may not be disposed of at any time but they may be exercised following vesting. No additional Restrictions have been attached to the Shares that may be acquired when vested Rights are exercised. Thus, the Disposal Restrictions that apply to the Shares will arise from the Company's Securities Trading Policy and the insider trading provisions of the Corporations Act.
Exercise and Exercise Price	The Exercise Price is nil (no amount needs to be paid by the Participant in order to exercise the Rights). Vested Rights may be exercised at any time after the Vesting Date and before the end of their Term. In order to exercise vested Rights, a Participant must validly submit an Exercise Notice. On exercise of Vested Rights, the Board will issue a Settlement Notice and ensure that there are a sufficient number of Shares available to satisfy the exercised Rights. The Board will not ordinarily settle the exercised Performance Rights in cash.
Termination of Employment	If a Participant's employment with the Company ceased during FY25, the FY25 Performance Rights would have been forfeited in the proportion that the remainder of the FY25 bears to the full FY25. Remaining unvested Rights will be retained by the Participant, subject to the Malus and Clawback provisions, with a view to testing for possible vesting having regard to performance during the Measurement Period up to the date of cessation of employment. The Board will be convened where required to consider any such off-cycle assessment of vesting conditions. Vested Rights held following a termination of employment may now continue to be held by the Participant unless the Board determines otherwise.
Malus and Clawback	Rights may be forfeited at any time, including during and subsequent to a Participant's employment with the Company, should the Malus and Clawback provisions come into play.
No Hedging	Participants must not enter into an arrangement with anyone if it would have the effect of limiting their exposure to risk in relation to Rights (vested or unvested) or Restricted Shares. This is a Corporations Act requirement.
Change of Control	If a de-listing is imminent, vesting will automatically occur at the level derived from application of the following formula: $\text{Number of Performance Rights in Tranche to Vest} = \text{Unvested Performance Rights in Tranche} \times \text{\% of First Year of Measurement Period Elapsed}$ Additional vesting will occur to the extent, if any, determined by the Board and any remaining unvested Rights will lapse; and Restricted Shares will cease to be subject to Specified Disposal Restrictions, and any CHESS holding locks will be removed if applicable, unless otherwise determined by the Board. In other cases of a change of control the Rights will remain on foot, subject to possible modification of Vesting Conditions, for testing for vesting at the end of the Measurement Period.

7 SHARE-BASED PAYMENTS (continued)

Executive Rights Plan

Pre IPO, LIS adopted a plan called the Executive Rights Plan (**Executive Rights Plan**) under which the Board of the Company invited certain eligible persons, to apply for Service Rights or Performance Rights to be issued in accordance with, and subject to the terms of, the Executive Rights Plan. The Executive Rights Plan was approved by shareholders at the Annual General Meeting held on 24 November 2021. The Executive Rights Plan was superseded by the LTIP after approval at the Annual General Meeting held on 10 November 2022.

On 12 November 2020 the CEO was granted 1,000,000 Service Rights which vested in four equal tranches on 30 April 2022, 2023, 2024 and 2025, subject to continuity of employment during the Measurement Periods. The Service Rights at the time that they were granted were independently valued at $0.065 each and have a nil exercise price. Each consecutive tranche commenced annually on the vesting date of the prior tranche and, if the CEO had ceased employment during a tranche, then Service Rights for that tranche would have vested in proportion to the time elapsed as served in the tranche and all subsequent tranches will lapse. The CEO has now met the vesting requirements for all four Tranches.

On 15 June 2022 the CTO was granted 200,000 Service Rights which vested on 30 June 2022. The Service Rights were valued at $0.425 each, being the closing share price at the date of the grant and have a nil exercise price. The CTO's Service Rights have fully vested.

Each Service Right is an entitlement, upon exercise, to an ordinary fully paid Share in the Company. The Board may at any time by written instrument, or by resolution of the Board, amend or repeal all or any of the provisions of the Plan. Non-Executive Directors are excluded from Participation in the Plan.

The Service Rights may not be disposed of at any time except by force of law such as on death. Service Rights may be exercised at any time once they have vested.

Each Service Right has a term ending 15 years after the grant date. If not exercised before the end of their term the Service Rights will lapse.

8 DIVIDENDS

	Notes	30 June 2025 $	30 June 2024 $
(a) Dividends paid			
2025 No interim dividend was declared or paid (2024: nil)		-	-
(b) Dividends declared after balance date			
The directors have not declared a final dividend for the 2025 financial year (2024: nil)	2.15	-	-
(c) Franked dividends			
Franking credits available for subsequent financial years based on a tax rate of 25.0% (2024: 25%)		-	-

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

(a) franking credits that will arise from the payment of the current tax liability;
(b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date;
(c) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date; and
(d) franking credits that may be prevented from being distributed in subsequent financial years.

9 CASH AND CASH EQUIVALENTS

	Notes	30 June 2025 $	30 June 2024 $
Cash at bank and on hand	2.7	**14,855,487**	10,811,343
Term deposits[1]		**-**	12,000,000
		14,855,487	22,811,343

[1] The cash held in term deposits at 30 June 2024 was for a period of 90 days, maturing in August 2024. These funds were held on deposit with the Group's corporate banking partner.

10 TRADE AND OTHER RECEIVABLES

GST receivable	2.20	**-**	154,096
Other receivables	2.8	**27,141**	22,673
		27,141	176,769

11 FINANCIAL ASSETS

Current assets		
Financial assets at FVTPL - Australian unlisted units in investment trusts	**2,000,000**	2,000,000
Loan receivable measured at amortised cost	**2,000,000**	-
	4,000,000	2,000,000
Non-Current assets		
Financial assets at FVTPL - Investment in Zeta Energy Corp.	**1,557,420**	2,610,205
Loan receivable measured at amortised cost	**-**	2,000,000
	1,557,420	4,610,205
	5,557,420	6,610,205

LIS continues to hold 1,729,000 Class B common shares in Zeta Energy, which were valued at US$0.59 per share at 30 June 2025 (2024: US$1.00). The number of shares and their value has been confirmed by Zeta Energy. The fair value of these equity shares has been determined with reference to the latest planned capital raise and the investment at US$1,020,229 (2024: US$1,729,000) equates to $1,557,420 (2024: $2,610,205) at the prevailing exchange rate on 30 June 2025 of $0.6550 (2024: $0.6224). Accordingly, the fair value movement aggregating to $1,052,785 had been recognised as a loss on investment at FVTPL (2024: fair value gain of $2,362).

On 19 April 2023, the Company entered into a loan agreement with PPK Group Limited (PPK Group) to loan up to $2,000,000, on a fully secured basis, for a period of up to 24 months and at an interest rate of 10.0%. During the 2024 reporting period, the term of the loan agreement was extended to April 2026. At 30 June 2025, PPK Group had fully drawn down the $2,000,000 loan facility. Refer to Note 29 for additional information.

12 OTHER CURRENT ASSETS

Prepaid expenses	**22,462**	41,647
	22,462	41,647

13 PROPERTY, PLANT AND EQUIPMENT – NON-CURRENT

	Notes	30 June 2025 $	30 June 2024 $
Leasehold improvements – at cost		**138,058**	126,953
Less: Accumulated amortisation		**(60,438)**	(25,309)
Total leasehold improvements		**77,620**	101,644
Plant and Equipment – at cost		**7,852,378**	6,984,601
Less: Accumulated depreciation		**(2,499,518)**	(842,250)
		5,352,860	6,142,351
Total property, plant and equipment		**5,430,480**	6,243,995

Reconciliations **30 June 2025**	Leasehold Improvements $	Plant & Equipment $	Total $
Opening balance	**101,644**	**6,142,351**	**6,243,995**
Additions[1]	**11,105**	**1,976,146**	**1,987,251**
Government grants - capital	**-**	**(1,143,496)**	**(1,143,496)**
Depreciation and amortisation	**(35,129)**	**(1,622,141)**	**(1,657,270)**
Closing balance	**77,620**	**5,352,860**	**5,430,480**
30 June 2024			
Opening balance	-	2,864,904	2,864,904
Additions[1]	107,314	5,176,898	5,284,212
Government grants - capital	-	(1,347,308)	(1,347,308)
Transfers	18,577	(18,577)	-
Depreciation and amortisation	(24,247)	(533,566)	(557,813)
Closing balance	101,644	6,142,351	6,243,995

[1] Included in additions for plant and equipment in the year to 30 June 2025 are $1,214,759 (2024: $840,150) of employee costs capitalised in relation to the installation of the pilot plant production facilities in the Waurn Pond campus.

13.1 A reconciliation of additions for property, plant and equipment to the statement of cash flows follows:

	Notes	30 June 2025 $	30 June 2024 $
Additions		**1,987,251**	5,284,212
Equipment deposits	15	**1,398,930**	411,724
Additions recorded but not yet cash settled		**-**	(133,892)
Government grants received relating to capital works in progress		**-**	(346,383)
		3,386,181	5,215,661

14 RIGHT-OF-USE ASSETS – NON-CURRENT

	Notes	30 June 2025 $	30 June 2024 $
Right-of-use assets – Property – at cost		**1,361,922**	1,373,613
Less: Accumulated amortisation		**(540,904)**	(288,493)
		821,018	1,085,120
Opening balance		**1,085,120**	960,609
Additions/lease reassessments		**(11,691)**	411,761
Disposals		**-**	-
Depreciation and amortisation		**(252,411)**	(287,250)
Closing balance		**821,018**	1,085,120

14.1 Reconciliation of depreciation and amortisation to the statement of profit or loss:

	Notes	30 June 2025 $	30 June 2024 $
Property, plant and equipment	13	**1,657,270**	557,813
Right-of-use assets	14	**252,411**	287,250
		1,909,681	845,063

15 OTHER NON-CURRENT ASSETS

	Notes	30 June 2025 $	30 June 2024 $
Equipment deposits[1]	13.1	**1,810,654**	411,724
Security deposits		**47,264**	47,264
		1,857,918	458,988

[1]Equipment deposits relate to upfront payments for equipment that has been ordered but where equipment has not been delivered, and title has not yet transferred. This equipment will be transferred to Plant & Equipment once delivered.

16 INTANGIBLE ASSETS - NON-CURRENT

	30 June 2025 $	30 June 2024 $
Development costs	**9,697,534**	8,140,360
Less: Government grants for development costs	**(720,813)**	(1,084,621)
Less: Accumulated amortisation and impairment	**-**	-
Total intangible assets	**8,976,721**	7,055,739

Reconciliations **30 June 2025**	**Lithium Metal Battery $**	**Li-Nanomesh $**	**Lithium Sulfur Battery $**	**Total $**
Opening balance	**633,386**	**957,989**	**5,464,364**	**7,055,739**
Additions	**189,719**	**-**	**2,452,076**	**2,641,795**
Disposals	**-**	**-**	**-**	**-**
Government grants	**-**	**-**	**(720,813)**	**(720,813)**
Depreciation and amortisation	**-**	**-**	**-**	**-**
Closing balance	**823,105**	**957,989**	**7,195,627**	**8,976,721**
30 June 2024				
Opening balance	273,605	1,075,370	4,796,524	6,145,499
Additions	421,531	11,388	1,561,942	1,994,861
Disposals	-	-	-	-
Government grants	(61,750)	(128,769)	(894,102)	(1,084,621)
Depreciation and amortisation	-	-	-	-
Closing balance	633,386	957,989	5,464,364	7,055,739

16 INTANGIBLE ASSETS - NON-CURRENT (continued)

The intangible asset is for the development of the Li-S Battery project undertaken in conjunction with Deakin University under the Research Framework Agreement. Included in the total additions of $2,641,795 are employee costs of $1,096,049 (2024: $378,443), which were capitalised in relation to the development work undertaken.

16.1 Reconciliation of the additions for intangibles to the statement of cash flows:

	Notes	30 June 2025 $	30 June 2024 $
Additions		**2,641,795**	1,994,861
Movement in trade payables		**125,495**	177,576
		2,767,290	2,172,437

17 TRADE AND OTHER PAYABLES - CURRENT

Trade payables – unsecured	**58,824**	20,014
Sundry payables and accruals - unsecured	**666,030**	725,852
	724,854	745,866

18 LEASE LIABILITIES

Current	**239,772**	221,769
Non-current	**664,547**	914,984
	904,319	1,136,753

18.1 Maturity analysis of contracted undiscounted cashflows

Not later than 1 year	**310,911**	305,962
Later than 1 year and not later than 3 years	**450,100**	622,524
Later than 3 years	**265,734**	464,998
Total undiscounted lease payments	**1,026,745**	1,393,484
Less: Present value adjustment	**(122,426)**	(256,731)
Present value of future lease payments	**904,319**	1,136,753

The leases recognised are at commercial rates, and vary in term from 12 months to 3 years plus options. Refer to Note 2.16 for the accounting policy applied by the Company.

18.2 Total amounts recognised in the profit or loss under AASB 16:

Amortisation of right of use assets	**252,411**	287,250
Interest expense on lease liabilities	**83,778**	87,021
Expenses related to short-term leases	**38,312**	36,565
	374,501	410,836

19 PROVISIONS

	Notes	30 June 2025 $	30 June 2024 $
Current			
Annual leave	2.13	**221,197**	168,389
Total current		**221,197**	168,389
Non-Current			
Make good on property leases	2.18	**80,000**	80,000
Total Non-Current		**80,000**	80,000

20 DEFERRED GOVERNMENT GRANT INCOME

Deferred government grant income[1]	**923,198**	525,495
Total Deferred Grant Income	**923,198**	525,495

[1]LIS receives funding in accordance with the agreed milestones in the relevant grant agreements. The timing of receipt of these funds is variable across the grant programs. Where funds are received before the associated costs have been occurred, they are recognised as deferred government grant income. Once the costs are incurred, the associated grant proceeds are applied in accordance with AASB 120 *Accounting for government grants and disclosure of government assistance*.

In the current financial year, the Company recognised government grant income of $908,829 (2024: $nil) in the statement of profit or loss. There are no unfulfilled conditions or contingencies attached to these grants that have been recognised.

21 CONTRIBUTED EQUITY

21.1 Issued capital

640,200,230 (30 June 2024: 640,200,230) ordinary shares fully paid	**56,502,519**	56,564,582
Movement in ordinary share capital		
Balance at the beginning of the financial period	**56,564,582**	56,626,644
Unwind of tax effect of transaction costs on issue of share capital in prior years, deductible over five years	**(62,063)**	(62,062)
	56,502,519	56,564,582

The shares have no par value. Ordinary shares participate in dividends and the proceeds of winding up in proportion to the number of shares held. Each ordinary share is entitled to one vote at shareholder meetings.

21.2 Share movements

	30 June 2025 No. of Shares	30 June 2024 No. of Shares
Number of ordinary shares on issue	**640,200,230**	640,200,230
Movement in ordinary shares on issue		
Balance at the beginning of the financial period	**640,200,230**	640,200,230
New shares issued	**-**	-
	640,200,230	640,200,230

22 TREASURY SHARES

	2025 No. of shares	2025 $	2024 No. of shares	2024 $
Opening balance	**4,000,000**	**964,800**	-	-
Shares purchased by the Employee Share Trust	**6,000,000**	**900,000**	4,000,000	964,800
Shares allocated for rights exercised and allocated from the Employee Share Trust	**(540,844)**	**(135,211)**	-	-
Closing balance	**9,459,156**	**1,729,589**	4,000,000	964,800

The shares acquired by the employee share trust during the year were recorded as a reduction in equity attributable to members of the parent.

23 RESERVES

	Notes	30 June 2025 $	30 June 2024 $
Share rights reserve	23.1	**1,538,008**	1,491,790
Share premium reserve	23.2	**1,347,650**	1,347,650
		2,885,658	2,839,440

23.1 Share rights reserve movement reconciliation

Opening balance	**1,491,790**	1,221,412
Rights expense attributable to Non-Executive Directors	**-**	43,174
Rights expense attributable to Executives	**181,429**	227,204
Exercise of service rights by Non-Executive Directors	**(120,000)**	-
Exercise of performance rights under the executive rights plan	**(15,211)**	-
Closing balance	**1,538,008**	1,491,790

The share rights reserve is used to recognise the value of equity settled share-based payments granted as Service Rights to Non-Executive Directors under the NED Equity Plan and to eligible employees under the Executive Rights Plan and LTIP as part of their remuneration (see Note 7).

23.2 Share premium reserve

The share premium reserve reflects the premium on issue of LIS shares in exchange for the initial investment in Zeta Energy Corp.

23.3 Capital Risk Management

The Company considers its capital to comprise its ordinary share capital, reserves and retained earnings. The Company's primary objective is to maximise shareholder value. In order to achieve this objective, the Company seeks to maintain sufficient funding to enable the Company to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through new share issues or incurring debt, the Company considers not only its short-term position but also its long-term operational and strategic objectives.

24 FINANCIAL INSTRUMENTS

The accounting classifications of each category of financial instruments are defined in Note 2 Summary of Material Accounting Policy Information. The carrying amounts are set out below.

		30 June 2025 $	30 June 2024 $
Financial Assets			
Cash and cash equivalents	9	**14,855,487**	22,811,343
Financial assets			
FVTPL - Australian unlisted units in investment trusts	11	**2,000,000**	2,000,000
Loan receivable measured at amortised cost	11	**2,000,000**	2,000,000
FVTPL - Investment in Zeta Energy Corp.	11	**1,557,420**	2,610,205
Debt instruments at amortised cost			
Trade and other receivables	10	**27,141**	176,769
Total financial assets		**20,440,048**	29,598,317
Financial Liabilities			
Interest-bearing loans and borrowings			
Lease liabilities – current	18	**239,772**	221,769
Lease liabilities – non-current	18	**664,547**	914,984
Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings			
Trade and other payables	17	**724,854**	745,866
Total financial liabilities		**1,629,173**	1,882,619

Financial Risk Management

The Directors have overall responsibility for the establishment and oversight of the financial risk management framework. The Company's activities expose it to a range of financial risks including market risk, credit risk and liquidity risk. The Company's risk management policies and objectives are designed to minimise the potential impacts of these risks on the results of the Company where such impacts may be material. The Directors receive monthly reports, which it reviews and regularly discuss the effectiveness of the processes put in place and the appropriateness of the objectives and policies to support the delivery of the Company's financial targets while protecting future financial security. The Company does not use derivatives.

24.1 Market risk

Market risk is the risk that the fair value of future cash flows of the Company's financial instruments will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, equity price risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt and equity investments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a security will fluctuate due to changes in interest rates. Exposure to interest risk arises due to holding floating rate interest bearing liabilities, investments in cash and cash equivalents and loans to related parties and other entities.

Loans to related parties and other entities entered into during the period were at fixed rates. The Company's primary exposure to interest rate risk was on its cash holdings. A sensitivity analysis shows that a 1.0% movement in interest rates would result in a change in profit before tax of approximately +/- $149,000.

(ii) Equity price risk

Equity securities price risk is the risk that changes in market prices will affect the fair value of future cash flows of the Company's investments.

24 FINANCIAL INSTRUMENTS (continued)

The Company is exposed to equity price risk through the movement in the valuation of its investment in Zeta Energy Corp.

The equity price risk is determined by market forces and are outside the control of the Company. The risk of loss is limited to the capital invested. A sensitivity analysis shows that a 10.0% movement in equity value of the financial assets would cause a movement in the investment of approximately $156,000 (2024: $261,000).

(iii) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial item will fluctuate as a result of movements in foreign exchange rates. The Company's exposure to foreign exchange relates to both its investment in Zeta Energy Corp. a company domiciled in USA, and its procurement of equipment denominated in United States Dollars (USD). The Company manages the foreign exchange risk by monitoring the potential benefits of the strategic and economic benefits of this investment and, the ability to divest the investment should the need arise. A sensitivity analysis shows that a 1.0% movement in exchange rates would cause a movement in the investment value in Australian dollars of approximately $16,000 (2024: $26,000).

24.2 Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade and other receivables), investing activities (loan receivables), and financing activities (cash held with banks). The Company's maximum exposure to credit risk arising from financial assets of the Company (comprising cash, trade receivables, and loan receivables) is the carrying amount as disclosed in the Statement of Financial Position and the associated notes.

The Company's credit risk on cash at bank is limited as the counter parties are Tier 1 Australian banks with favourable credit ratings assigned by international credit rating agencies. The credit risk on the Company's trade and other receivables is also limited, as the balance consists of GST receivable from the Australian Taxation Office. Refer to Note 29 for details of security taken in relation to the loan receivables.

24.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's objective to mitigate liquidity risk is by continuously monitoring forecast cash flows and ensuring that adequate facilities or financing options are maintained. At balance date, the Company has cash of $14,855,487, and current liabilities of $2,109,019. The payables of $724,852 share a contractual maturity of up to 120 days.

24 FINANCIAL INSTRUMENTS (continued)

Financial liabilities maturity analysis

The below table provides a contractual maturity profile of the Company's financial liabilities at balance date. The amounts disclosed in the table are gross contractual undiscounted cash flows (principal and interest) required to settle the respective liabilities, and as such may not reconcile directly to the balance sheet. The interest rate is based on the rate applicable at the end of the financial period. Refer to Note 18 for maturity profile of lease liabilities.

30 June 2025	Average Interest Rate %	Less than 6 months $	6-12 months $	1-3 years $	3+ years $	Total $
Financial Liabilities						
Trade and other payables	**-**	**724,854**	**-**	**-**	**-**	**724,854**
Total financial liabilities	**-**	**724,854**	**-**	**-**	**-**	**724,854**

30 June 2024	Average Interest Rate %	Less than 6 months $	6-12 months $	1-3 years $	3+ years $	Total $
Financial Liabilities						
Trade and other payables	-	745,867	-	-	-	745,867
Total financial liabilities		745,867	-	-	-	745,867

25 FAIR VALUE MEASUREMENT

The carrying values of financial assets and liabilities held at amortised cost, listed in Note 24 above, approximate their fair value.

Estimated discounted cash flows were used to measure fair value, except for fair values of financial assets that were traded in active markets that are based on quoted market prices.

Hierarchy

The following tables classify financial instruments at fair value recognised in the statement of financial position of the Group according to the hierarchy stipulated in AASB 13 as follows:

- Level 1 – the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – a valuation technique is used using inputs other than quoted prices within Level 1 that are observable for financial instruments, either directly (i.e. as prices), or indirectly (i.e. derived from prices); or
- Level 3 – a valuation technique is used using inputs that are not based on observable market data (unobservable inputs).

	Level 1 $	Level 2 $	Level 3 $	Total $
30 June 2025				
Assets				
Financial assets	**-**	**-**	**3,557,420**	**3,557,420**
	-	**-**	**3,557,420**	**3,557,420**
30 June 2024				
Assets				
Financial assets	-	-	4,610,205	4,610,205
	-	-	4,610,205	4,610,205

25 FAIR VALUE MEASUREMENT (continued)

For assets and liabilities that are recognised on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between levels during the period.

There were no changes in the Company's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

The level 3 fair value measurement of financial assets at fair value has been determined as follows:

- US unlisted equity securities: Based on the latest planned capital raise of Zeta Energy Corp, where the price is not quoted in an active market.
- Australia unlisted units in investment funds: discounted cash flow method.

26 PARENT ENTITY AND SUBSIDIARIES

The following detailed information relates to the parent entity, Li-S Energy Limited. The information presented below has been prepared using consistent accounting policies as presented in Note 2.

	30 June 2025 $	30 June 2024 $
Assets		
Current assets	**18,905,090**	25,029,759
Non-current assets	**20,972,154**	21,079,919
Total assets	**39,877,244**	46,109,678
Liabilities		
Current liabilities	**2,109,021**	1,661,520
Non-current liabilities	**744,547**	994,984
Total liabilities	**2,853,568**	2,656,504
Net assets	**37,023,676**	43,453,174
Equity		
Contributed equity	**56,502,519**	56,564,582
Reserves	**2,885,658**	2,839,440
Retained earnings	**(22,364,501)**	(15,950,848)
Total equity	**37,023,676**	43,453,174
Profit (loss) for the year	**(6,413,653)**	(4,623,970)
Other comprehensive income (loss) for the year	**-**	-
Total comprehensive loss for the year	**(6,413,653)**	(4,623,970)

Subsidiaries of the parent entity:

Entity name	Principal Activity	Country of Incorporation	30 June 2025 %	30 June 2024 %
LIS Plans Pty Ltd	Trustee company	Australia	**100**	100
Li-S Energy Limited Employee Share Trust	Trust	N/A	**N/A**	N/A

27 CONTINGENT ASSETS, CONTINGENT LIABILITIES AND COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	Notes	30 June 2025 $	30 June 2024 $
Plant and equipment[1]		**575,726**	1,077,536
Intangible assets – commitments to Deakin University[2]		**754,496**	4,792,412
Intangible assets – Other[3]		**285,541**	177,500
		1,615,763	6,047,448

[1] LIS has entered into contracts for plant and equipment that is to be delivered after the reporting date. Deposits of $1,810,654 have been paid to date on these contracts (see Note 15).

[2] LIS has outstanding commitments to Deakin University relating to projects contracted under Deakin's Recycling and Clean Energy Commercialisation Hub ('REACH'). These projects range in durations of up to 3 years (see Note 29).

[3] Other commitments relate to non-Deakin University contractual commitments under various research collaboration and consulting agreements.

There are no contingent assets or contingent liabilities.

28 EARNINGS / (LOSS) PER SHARE

	30 June 2025 $	30 June 2024 $
Profit/(loss) after tax	**(6,413,653)**	(4,623,970)

	No. of Shares	No. of Shares
Weighted average number of ordinary shares outstanding used in calculating basic earnings per share [1]	**632,828,514**	637,119,137
Weighted average number of ordinary shares outstanding used in calculating diluted earnings per share [1, 2]	**632,828,514**	637,119,137
Basic earnings (loss) per share (cents)	**(1.01)**	(0.73)
Diluted earnings (loss) per share (cents)	**(1.01)**	(0.73)

[1] The weighted average number of ordinary shares outstanding used in calculating basic and diluted earnings per share for the current period was pro rata adjusted for the treasury shares held and acquired during the period less those shares transferred by the trust on exercise of rights during the period.

[2] The weighted average number of ordinary shares outstanding used in calculating diluted earnings per share for the current and comparative periods have not been adjusted for the Service Rights or Performance Rights issued under the various Rights Plans (see Note 7) as they are anti-dilutive.

29 RELATED PARTY TRANSACTIONS

29.1 Transactions with Directors and Key Management Personnel

Remuneration and retirement benefits

The table below outlines the KMP of the Company for the year ended 30 June 2025 and up to the date of this report:

Name	Position	Term as KMP
Directors		
Ben Spincer	Non-Executive Chair	Full financial year
Hedy Cray	Non-Executive Director	Full financial year
Robin Levison	Non-Executive Director	Retired 31 August 2024
Marc Fenton	Non-Executive Director	Retired 18 February 2025
Rick Francis	Non-Executive Director	Appointed 18 February 2025
Other KMP		
Lee Finniear	Chief Executive Officer	Full financial year
Steve Rowlands	Chief Technology Officer	Full financial year
Glenn Molloy	Chief Strategic Advisor	Full financial year
Sarah Price	Chief Financial Officer	Full financial year

The aggregate compensation made to the KMP of the Company is as follows:

	Notes	30 June 2025 $	30 June 2024 $
Short-term benefits		**1,011,061**	814,979
Share-based payments	2.5	**101,912**	124,843
Post-employment benefits		**72,027**	59,156
		1,185,000	998,978

Detailed remuneration disclosures are provided in the remuneration report included in the Directors' Report. Furthermore, PPK Aust. Pty Limited (PPK Aust) is paid a fee for providing management services including the provision of finance, legal, risk, IT, cyber and administration services, pursuant to the management services agreement (MSA), under which $950,000 (2024: $830,000) was charged during the period, which included fees for KMP services. Refer to Note 29.2 for details of the MSA.

Other transactions of Directors and Director-related entities

Until 31 October 2024, the immediate parent of the Company was PPK Aust, a wholly owned subsidiary of PPK Group Limited, the ultimate parent entity until that date. PPK Group's control of LIS ceased following distribution of approximately 25.95 million shares to its shareholders via an in-specie dividend, combined with additional off-market share transactions. There were no other transactions with Directors and their related entities during the period.

29 RELATED PARTY TRANSACTIONS (continued)

29.2 A summary of the related party transactions with other entities during the period is as follows:

	Notes	30 June 2025 $	30 June 2024 $
INFLOWS			
Interest income received from PPK Group		**200,000**	200,548
OUTFLOWS			
Management fees paid to PPK Group		**950,000**	830,000
Transactions with PPK Aust		**42,798**	65,553
Purchase of LIS shares from BNNT Technology Pty Ltd ('BNNTTL')		**900,000**	964,800
Transactions with BNNTTL		**1,600**	67,804
Research and development payments to Deakin University		**1,415,982**	1,733,379
Lease payments to Deakin University		**519,309**	370,067
Transactions with White Graphene Limited ('WGL')		**4,671**	1,945

During the financial year, LIS had the following related party agreements in place:

Supply Agreement with BNNTTL

On 9 July 2021, a supply agreement for the supply of BNNTs, with a purity of at least 95% or otherwise agreed, for the purpose of using BNNTs in the development, testing and manufacture of the LIS batteries. The key terms of the supply agreement are as follows:

- LIS may only order from BNNTTL to use BNNTs in the Customer's development, testing and manufacture of batteries or any other purpose agreed between the parties in writing; and
- the initial term of the agreement is 5 years and it automatically renews for further 2 year terms unless LIS elects not to renew the agreement by giving at least 3 months' notice prior to the expiry of the latest term.

Distribution Agreement with BNNTTL

On 9 July 2021, a worldwide exclusive distribution agreement pursuant to which LIS is appointed as distributor for BNNT products, with a purity of at least 95% or otherwise agreed, within the battery industry, with certain exclusive distribution rights in respect of lithium-sulfur batteries. The key material terms of the distribution agreement are as follows:

- LIS may only buy BNNTs from BNNTTL to:
  - (a) distribute on an exclusive basis BNNTs to third party customers (**Customers**), provided the Customers are only permitted to use BNNTs to develop, test or manufacture lithium-sulfur batteries; and
  - (b) distribute on a non-exclusive basis BNNTs to Customers, provided the Customers are only permitted to use BNNTs to:
    - a. develop, test or manufacture batteries that are not lithium-sulfur batteries (including to stockpile BNNTs for later use in accordance with forecasts); and
    - b. manufacture nanomesh products incorporating BNNTs (including Li-Nanomesh) for the use in any form or type of battery; and
  - (c) any other purpose agreed between the parties in writing.

- LIS is not restricted from distributing Li-Nanomesh (or other nanomesh products), or BNNTs to LIS's customers who have a licence from LIS to manufacture Li-Nanomesh (or other nanomesh products).
- the initial term of the agreement is 5 years and it automatically renews for further 2 year terms unless LIS elects not to renew the agreement by giving at least 3 months' notice prior to the expiry of the latest term.

29 RELATED PARTY TRANSACTIONS (continued)

Purchases from WGL

LIS has been purchasing small quantities of boron nitride nanosheets (BNNS) from WGL on an ad hoc basis, for the purpose of understanding the performance of BNNS in LIS batteries.

Loan agreement with PPK Group

On 19 April 2023, the Company entered into a loan agreement with PPK Group to loan up to $2,000,000, on a fully secured basis, for a period of up to 24 months and at a fixed interest rate of 10.0% per annum. At 30 June 2024, PPK Group had fully drawn down the $2,000,000 loan facility. During the reporting period, the term of the loan agreement was extended by 12 months to April 2026. The security interest taken is against a specific investment held by PPK Group, with a fair value approximating $2,860,000.

Management Services Agreement with PPK Aust

On 9 July 2021, a management services agreement pursuant to which PPK Aust will provide administrative functions such as accounting, record keeping, reporting, legal, company secretarial support, IT/systems support, etc. It is also appointed, to the extent permitted by law, facilitate/oversee the funding and capital raising requirements of the company and is paid a funding fee of up to 1% of any debt or capital raised that it facilitates. PPK Aust will also provide staff to act in key officer roles including the public officer, chief financial officer and company secretary. The key material terms of the management services agreement are as follows:

- PPK Aust is paid a fee for providing the management services, which the scope of services to be provided and the fee is reviewed and agreed between the parties every 3 months;
- the agreement was for an initial term of 3 years but has been renewed by PPK Aust for a further 3 year term;
  - PPK Aust may terminate the agreement on 30 days' notice if it is not satisfied with the Annual Plan of LIS; and
  - LIS may terminate the agreement at will on 6 months' notice.
- LIS indemnifies PPK Aust for any loss that arises from the performance by PPK Aust of its obligations under the agreement.

Research Framework Agreement with Deakin

LIS joined Deakin's Recycling and Clean Energy Commercialisation Hub ('REACH') in 2024. REACH was established after being awarded a $50 million grant from the Australian Government's inaugural Trailblazer Universities Program to address Australia's national manufacturing priorities.

During the period, LIS varied its Research Framework Agreement ('RFA') with Deakin to realign the research and development program scope between work outsourced to Deakin versus the work program undertaken by LIS team members. The key material terms of the RFA are consistent with the previous RFA entered with regards to intellectual property ('IP') ownership, being that LIS will own all project IP.

During the period, the Group has received $1,225,207 in funding (2024: $2,892,398) under the grant program which has been recognised as a reduction of the carrying amount of the Property, Plant and Equipment or Intangible Assets for which the grant is related. Refer to Note 27 for LIS' remaining commitment under REACH as at 30 June 2025.

Lease Agreements with Deakin

The Company has in place four separate lease agreements with Deakin University, representing four separate spaces at their Waurn Ponds campus in Victoria. The leases have been negotiated at market rates, with lease expiries (including options) ranging from December 2027 to September 2031.

29 RELATED PARTY TRANSACTIONS (continued)

29.3 Related party balances owing to its shareholders at the reporting date

The Company had the following related party balances receivable from, or payable to, its related parties at the reporting date:

	Notes	30 June 2025 $	30 June 2024 $
Related party balances receivable			
PPK Group Limited		**2,000,000**	2,000,000
Deakin University		**-**	4,400
Related party balances payable			
Deakin University		**-**	-
WGL		**-**	208

See Notes 18 and 29 for additional related party information.

30 EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There have been no matter or circumstance that has arisen since the end of the financial period which is not otherwise dealt with in this report or in the financial statements that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

as at 30 June 2025

	Entity type	Body Corporate Country of Incorporation	Country of tax residence	Body corporate % of share capital held
Parent entity				
Li-S Energy Limited	Body corporate	Australia	Australia	N/A
Subsidiaries				
LIS Plans Pty Ltd[1]	Body corporate	Australia	Australia	100%
Li-S Energy Limited Employee Share Trust	Trust	N/A	Australia	N/A

[1] LIS Plans Pty Ltd is the trustee of the Li-S Energy Limited Employee Share Trust.

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 30 JUNE 2025

1. In the opinion of the Directors of Li-S Energy Limited;

   a) The financial statements and notes of Li-S Energy Limited are in accordance with the *Corporations Act 2001*, including:

      (i) Giving a true and fair view of its financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and

      (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

   b) There are reasonable grounds to believe that Li-S Energy Limited will be able to pay its debts as and when they become due and payable.

   c) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2.1;

   d) the consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001* is true and correct; and

2. This declaration has been made after receiving the declarations required to be made to the directors by the chief executive officer and chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2025.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the *Corporations Act 2001*:

BEN SPINCER	**HEDY CRAY**
Chairman	**Non-Executive Director**

Brisbane, 21 August 2025

Ernst & Young
111 Eagle Street
Brisbane QLD 4000 Australia
GPO Box 7878 Brisbane QLD 4001

Tel: +61 7 3011 3333
Fax: +61 7 3011 3100
ey.com/au

Shape the future
with confidence

Independent auditor's report to the members of Li-S Energy Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Li-S Energy Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Capitalisation and carrying amount of intangible assets

Why significant	How our audit addressed the key audit matter

At 30 June 2025, the carrying amount of the intangible assets totalled $8,976,721. As disclosed in Note 16 the Group capitalises costs related to the development of battery products. The development of new products is fundamental to the Group's business activities and involves judgement to determine if the costs incurred qualify for recognition in terms of the requirements AASB 138 *Intangible Assets*.
The capitalisation of battery development expenses was identified as a key audit matter due to the significant judgements made by management, which include:
▪ Determining whether the costs incurred relate to research activities, which should be expensed or development costs which are eligible for capitalisation.
▪ Evaluating the estimated useful life of capitalised battery development costs and when amortisation should commence.
▪ Assessing whether any assets have become available for use during the reporting period and should commence amortisation.
▪ Assessing the anticipated future economic benefits supporting the recognition of development expenditure as intangible assets and subsequent impairment testing of the carrying value of intangible assets related to battery development costs.
	We performed the following audit procedures in respect of the development costs capitalised:
	▪ Assessed the Group's accounting policy for the capitalisation of battery development costs for compliance with the requirements Australian Accounting Standards.
	▪ Held inquiries with executive management and development project team members, to understand development activities undertaken and the feasibility of completion of those activities.
	▪ For a sample of capitalised development costs, we assessed whether:
	  ▪ Additions relating to capitalised labour costs were appropriately supported by approved payroll records including employee time records or third-party documentation; and
	  ▪ The nature of the expenditure met the capitalisation criteria per AASB 138 *Intangible Assets*.
	▪ Held inquiries with the Directors and executive management and reviewed latest progress reports on whether any assets have become available for use during the reporting period and should commence amortisation.
	▪ Evaluated the Company's impairment analysis for its capitalised development costs not yet available for use including assessing whether the recoverable amount of the assets exceeded their carrying amounts.
	▪ Assessed the adequacy and appropriateness of the disclosure included in the Notes to the financial statements.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Shape the future
with confidence

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Li-S energy Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Madhu Nair
Partner
Brisbane
21 August 2025

SHAREHOLDER INFORMATION

As at 12 August 2025

Fully paid ordinary shares:

(a)	Total shares issued:	640,200,230
(b)	Percentage held by 20 largest shareholders:	70.20%
(c)	Total number of LIS shareholders:	10,988
(d)	Shareholders with less than marketable parcel of shares:	6,796

(e) There is not a current on market buy-back

(f) Voting rights: Every shareholder present personally or by proxy or attorney etc, shall, on a show of hands, have one vote and on a poll shall have one vote for every share held. No voting rights attach to options.

(g) Distribution schedule of fully paid ordinary shares:

Holdings Ranges	Total holders	Units	% Units
1 - 1,000	4,156	1,839,290	0.29%
1,001 - 5,000	3,609	9,682,565	1.51%
5,001 - 10,000	1,125	8,592,482	1.34%
10,001 - 100,000	1,730	57,337,928	8.96%
100,001 Over	368	562,747,965	87.90%
Total	**10,988**	**640,200,230**	**100.00%**

(h) Top 20 Holders of Ordinary Fully Paid Shares:

Rank	Name	Shares	%
1	PPK Aust Pty Limited	250,134,530	39.07%
2	Deakin University	85,833,333	13.41%
3	YJK Pty Ltd <YJK Family A/C>	14,055,601	2.20%
4	JP Morgan Nominees Australia Pty Limited	10,133,211	1.58%
5	IP44 Pty Ltd	10,000,000	1.56%
5	Tao Tao	10,000,000	1.56%
7	Li-S Plans Pty Ltd	9,459,156	1.48%
8	Finclear Services Pty Ltd <Superhero Securities A/C>	8,846,272	1.38%
9	Wavet Fund No 2 Pty Ltd <Wavet Super Fund No 2 A/C>	8,793,442	1.37%
10	Ironfury Pty Ltd <The David Dunn Family A/C>	7,738,834	1.21%
11	Baozhi Yu	7,475,000	1.17%
12	Finexia Wealth Pty Ltd	5,062,552	0.79%
13	Equipment Company of Australia Pty Limited	3,759,413	0.59%
14	Howarth Commercial Pty Ltd	3,649,378	0.57%
15	Minoan Corporation Limited	2,975,714	0.46%
16	Lollywatch Pty Ltd <PST Super A/C>	2,492,300	0.39%
17	Citicorp Nominees Pty Limited	2,342,589	0.37%
18	Equipment Company of Australia Pty Ltd	2,278,381	0.36%
19	Onmell Pty Ltd <ONM BPSF A/C>	2,224,174	0.35%
20	SMN Holdings Pty Ltd	2,165,115	0.34%
	Total Top 20 holders of Ordinary Fully Paid Shares	**449,418,995**	**70.20%**
	Total Remaining Holders Balance	**190,781,235**	**29.80%**

(i) Substantial Holders

Substantial Holder	Number of Shares Held	% of Issued Capital
PPK Aust Pty Limited	250,134,530	39.07%
Deakin University	85,833,333	13.41%

(j) Unquoted Securities:

Security	Total Holders	Number	Terms
Service Rights	3	1,606,795	Each Service Right is an entitlement, upon vesting and exercise, to an ordinary fully paid share in the Company. The Service Rights vested in three equal tranches on 30 April 2022, 2023, and 2024.
Service Rights	1	1,000,000	Each Service Right is an entitlement, upon vesting and exercise, to an ordinary fully paid share in the Company. The Service Rights vested in four equal tranches on 30 April 2022, 2023, 2024 and 2025.
Service Rights	1	200,000	Each Service Right is an entitlement, upon vesting and exercise, to an ordinary fully paid share in the Company. These Service Rights have all vested as at the date of this report.
Performance Rights	3	495,057	Each Performance Right is an entitlement, upon vesting and exercise, to an ordinary fully paid share in the Company. The Performance Rights are still to be assessed against the vesting conditions as at 30 June 2025.
Performance Rights	3	885,694	Each Performance Right is an entitlement, upon vesting and exercise, to an ordinary fully paid share in the Company. The Performance Rights will be assessed against the vesting conditions on 30 June 2026.
Performance Rights	4	1,979,889	Each Performance Right is an entitlement, upon vesting and exercise, to an ordinary fully paid share in the Company. The Performance Rights will be assessed against the vesting conditions on 30 June 2027.

(k) Restricted Securities:

Security	Number of Escrowed Securities	Date that Escrow Period Ends
Ordinary Fully Paid Shares	41,666,667	28 September 2025

CORPORATE DIRECTORY

Li-S Energy Limited ABN 12 634 839 857

A public company incorporated in Queensland and listed on the Australian Securities Exchange (ASX Code: LIS)

Directors

Ben Spincer	Non-Executive Chairman
Hedy Cray	Non-Executive Director
Rick Francis	Non-Executive Director

Company Secretaries

Will Shiel
Liam Fairhall

Registered Office and Principal Place of Business

Li-S Energy Limited
Level 13, 120 Edward Street
Brisbane QLD 4000 Australia

Telephone:	+61 7 3054 4555
Email:	info@lis.energy
Web Site:	www.lis.energy

Share Registry

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000 Australia

Telephone (within Australia):	1300 288 664
Telephone (international):	+61 2 9698 5414
Email:	hello@automic.com.au

Solicitors

Mills Oakley
Level 23, 66 Eagle Street
Brisbane QLD 4000 Australia

Bankers

National Australia Bank Limited
Level 17, 259 Queen Street
Brisbane QLD 4000 Australia

Auditors

Ernst & Young
Level 51, 111 Eagle Street
Brisbane QLD 4000 Australia