



**LI-S ENERGY LIMITED**  
**ACN 634 839 857**

### **INDEPENDENT DIRECTOR ASSESSMENT**

1. A Li-S Energy Limited (“**Li-S Energy**”) director will be considered *independent* where he or she is:
  - 1.1. independent of management, that is, a non-executive director; and
  - 1.2. free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of his or her unfettered and independent judgement.
2. The Li-S Energy Board will make its own assessment to determine the independence of each director. In undertaking its assessment of the independence of its directors, Li-S Energy will:
  - 2.1. consider whether the individual director has a business or other relationship with Li-S Energy, either directly or indirectly (that is, as a partner, shareholder or officer of a company or other entity that has an interest or a business or other relationship with Li-S Energy or any Li-S Energy group member), and
  - 2.2. have regard to whether the director, or an immediate family member has any of the following relationships:
    - 2.2.1. a substantial shareholder<sup>1</sup> of Li-S Energy, or an officer of, or otherwise associated directly with, a substantial shareholder of Li-S Energy;
    - 2.2.2. within the last three (3) years, employment in an executive capacity by Li-S Energy or any Li-S Energy group member, or been a director of Li-S Energy after ceasing employment with Li-S Energy;
    - 2.2.3. within the last three (3) years, been a principal of a material<sup>2</sup> professional adviser or a material consultant to Li-S Energy or any Li-S Energy group member, or an employee materially associated with the service provided;
    - 2.2.4. within the last three (3) years, a present or former affiliation with or employment by a present or former external auditor of Li-S Energy or any Li-S Energy group member who has worked on the Li-S Energy (or any Li-S Energy group member) audit;
    - 2.2.5. a material supplier or customer of Li-S Energy or any Li-S Energy group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer of Li-S Energy or any other any Li-S Energy group member;

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<sup>1</sup> A “substantial shareholder” is a person with a “substantial holding” (as defined in section 9 of the *Corporations Act*.)

<sup>2</sup> Materiality will be assessed by Li-S on a case-by-case basis and having regard to each director’s individual circumstances.

- 2.2.6. a material contractual relationship with Li-S Energy or any other Li-S Energy group member other than as a director or committee member of Li-S Energy or any Li-S Energy group member;
  - 2.2.7. has an interest or a business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of Li-S Energy.
3. Li-S Energy will:
- 3.1. state its reasons if it considers a director to be independent notwithstanding the existence of a relationship of the kind referred to in paragraphs 2 above;
  - 3.2. make immediate disclosure to the market if it considers that the independent status of a director is lost for any reason.

Dated: July 2021