



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

CODE OF CONDUCT FOR DIRECTORS & OFFICERS

1. INTRODUCTION

- 1.1 The Board of Li-S Energy Limited (“Li-S Energy” or “Company”) is committed to the principles underpinning good corporate governance in a manner which is most suited to Li-S Energy, and to best addressing the Directors’ accountability to shareholders and other stakeholders.
- 1.2 The Li-S Energy Code of Conduct for Directors and Officers (“D&O Code”) has been developed to demonstrate the commitment of Li-S Energy directors and key executives to ethical practices and the highest standards of integrity in the fulfilment of their respective roles and responsibilities.

2. PURPOSE OF THE CODE

- 2.1 The objective of the D&O Code is to ensure that:
- 2.1.1 high standards of corporate and individual behaviour are observed by all Li-S Energy directors and officers in the context of their respective roles and the performance of their duties with Li-S Energy;
 - 2.1.2 directors and officers are aware of their responsibilities to Li-S Energy under the terms of their appointment or contract of employment; and
 - 2.1.3 all the stakeholders of the Company can be guided by the stated values and policies of Li-S Energy.

3. SCOPE & COVERAGE

- 3.1 The D&O Code will apply to:
- 3.1.1 all executive and non-executive directors including the chief executive officer or managing director (collectively “Directors”);
 - 3.1.2 the chief financial officer;
 - 3.1.3 company secretary;
 - 3.1.4 group general manager; and
 - 3.1.5 any other employee or key executive of the Company considered to have the opportunity to materially influence the integrity, strategy and operation of the business and its financial performance.

(collectively “Officers”)

4. APPLICATION OF CORPORATE CODE OF CONDUCT & ETHICS

The minimum standards established by the D&O Code will be in addition to those to which Directors and Officers will also be subject in the Li-S Energy Code of Conduct & Ethics. A copy of the Li-S Energy Code of Conduct & Ethics may be found on the Company's website.

5. PRIMARY OBLIGATIONS OF THE D&O CODE

5.1 The following represent the primary obligations of Directors and Officers under the D&O Code:

5.1.1 You must act honestly, in good faith and in the best interests of the Company as a whole;

5.1.2 You must act with high standards of honesty, integrity, fairness and equity in all aspects of your employment with Li-S Energy;

5.1.3 You must comply fully with the content and spirit of all laws and regulations which govern the operations of Li-S Energy, its business environment and employment practices;

5.1.4 You will not knowingly participate in any illegal or unethical activity;

5.1.5 You will not enter into any arrangement or participate in any activity that would conflict with the interests of Li-S Energy or prejudice the performance or professional duties; and

5.1.6 You must actively promote compliance with laws, rules, regulations and this Code.

6. PERSONAL RESPONSIBILITY

6.1 Li-S Energy employees should always act with the highest standards of ethics and integrity in their dealings with customers, suppliers, creditors, shareholders, competitors and other employees.

6.2 Underpinning this standard is a commitment by each employee to being truthful, honest and trustworthy and a recognition that superior ethical behaviour means complying with the spirit, as well as the letter of the law.

6.3 Consequently, you must not engage in any conduct which brings discredit upon the Company.

7. CONFLICTS OF INTEREST

7.1 You have a duty to act in the best interests of Li-S Energy.

7.2 During your employment or appointment, however, there may be occasions whereby your own interest conflicts with those of the Company for whatever reason.

7.3 If you do find yourself in this situation you need to take immediate action to remove the conflict.

7.4 If you are unsure what to do, speak to your supervisor or the Company Secretary.

7.5 A supervisor who is consulted about a potential conflict of interest will ensure that measures are put in place to protect parties affected by the conflict of interests from that conflict.

7.6 Depending on the nature and extent of the conflict, the measures taken to protect against conflict of interest may include:

7.6.1 ensuring that the conflicted or potentially conflicted employee does not participate in the relevant decision or activity; or

7.6.2 disclosing the conflict to third parties affected by the conflict; and

ensuring that the conflicted or potentially conflicted employee is not the sole decision maker on the matter.

7.7 You must otherwise not allow your personal interest to conflict with the interests of Li-S Energy.

8. OPPORTUNITIES ARISING FROM COURSE OF EMPLOYMENT OR SAPPPOINTMENT

You will not take advantage of property, information or position, or opportunities arising from these, for personal gain or to compete with Li-S Energy.

9. GIFTS, BENEFITS AND HOSPITALITY

9.1 No employee should seek a gift or benefit from any party in the performance of their duties.

9.2 No employee should accept significant gifts or other benefits that could have the potential to impair his or her judgement or could be seen to be a conflict of interest.

9.3 If you are in doubt about whether a proposed gift or benefit is significant, speak to your supervisor or the Company Secretary.

9.4 All gifts and other benefits received by Directors or Officers must be disclosed to the Board or a supervisor, respectively.

10. DISCLOSURE AND USE OF INFORMATION

10.1 You have a continuing duty of trust and confidence to Li-S Energy.

10.2 During your employment or appointment with Li-S Energy, you may become aware of information concerning the Company or a third party which is confidential.

10.3 You should not use this information in a way which creates a personal benefit to you or to another party not entitled to make use of the information.

10.4 Such information often has the potential to cause damage or create a benefit if disclosed without permission and should always remain confidential.

10.5 If you are uncertain about whether information may be disclosed or used you should always seek guidance before proceeding to do so.

11. INSIDER TRADING

11.1 It is a serious criminal offence for any person to apply for, buy or sell, shares in Li-S Energy while they have inside information concerning the Company. The Company has a Security Trading Policy which is published on the Company's website. You should refer to this.

11.2 Inside information is that information which is not generally available, and which if it were generally available, would be expected to have a material effect on the price or value of Li-S Energy shares.

11.3 This applies not only to Li-S Energy employees, but any other person (such as a friend or family member) who has inside information concerning the Company.

11.4 If you have doubts as to whether you can buy or sell Li-S Energy shares, you should contact the Company Secretary.

12. PUBLIC STATEMENTS

12.1 No employee is authorised to make or issue public statements about the Company unless these have been authorised by the Board or Chief Executive Officer.

12.2 This includes public speaking engagements and conversations with the media.

13. SEXUAL HARASSMENT

13.1 Sexual harassment in the work environment will not be tolerated under any circumstances.

13.2 Sexual harassment means any unwanted, unwelcome or uninvited behaviour of a sexual nature which makes a person feel humiliated, intimidated or offended.

13.3 Li-S Energy has established a separate policy which specifically deals with this issue. You should make yourself familiar with the contents of this policy and ensure that you comply with it in all respects.

14. EQUAL OPPORTUNITY

14.1 Li-S Energy is an equal opportunity employer.

14.2 The Company takes very seriously its efforts to ensure that all employees, and prospective employees, have an equal opportunity to participate and contribute to the business free of prejudice and discrimination.

14.3 Li-S Energy considers this not only fair and just but makes good business sense.

14.4 Discrimination on any grounds will not be tolerated and, if found to exist, will result in disciplinary action including termination.

15. WORK ENVIRONMENT

15.1 Li-S Energy is committed to providing its employees with a working environment which is healthy, safe and productive.

15.2 While the Company is continually taking action to ensure the safety of its employees, it is expected that each employee will also take responsibility for their own safety and that of their colleagues.

15.3 Workplace bullying, intimidation or harassment of any kind will not be tolerated.

16. ENVIRONMENTAL CONSIDERATIONS

16.1 You should perform your duties in a manner consistent with the Company's on-going commitment to undertaking its business operations in a way which minimises the impact on the environment.

16.2 You should contribute wherever possible to the stated objectives of the Li-S Energy Environment Policy and assist in the development of operational practices and procedures which have sustainable environmental benefits.

17. OTHER POLICIES REGULATING EMPLOYEE BEHAVIOUR

17.1 Li-S Energy also requires you to comply with policies relating to:

- 17.1.1 occupational health and safety;
- 17.1.2 drugs, smoking and alcohol;
- 17.1.3 environmental;
- 17.1.4 computer usage, desktop software, internet usage and email;
- 17.1.5 discrimination, harassment and bullying;
- 17.1.6 employment practices, termination and grievance procedures;
- 17.1.7 personal leave;
- 17.1.8 privacy; and

any other policy developed by the Company which relates to your employment or appointment.

18. REPORTING VIOLATIONS OF THE CODE OR OTHER UNETHICAL CONDUCT

- 18.1 You are required to report breaches of the Code or other unethical conduct to your supervisor or the Company Secretary.
- 18.2 You will not be disadvantaged or suffer any detriment for having reported a breach of the Code or other unethical conduct.
- 18.3 Li-S Energy will investigate any reported breach and will ensure that such investigation is carried out promptly and fairly to all parties concerned.
- 18.4 The reporting procedure should not be used maliciously or mischievously.

19. BREACHES OF THIS CODE

- 19.1 Breaches of this Code will be viewed seriously by Li-S Energy and will result in appropriate disciplinary action being taken against any person engaging in conduct considered to be in breach of these minimum standards.
- 19.2 Disciplinary action may range from warnings to dismissal.
- 19.3 No disciplinary action will be taken until the breach has been investigated and the Director or Officer concerned has had an opportunity to comment on the alleged breach.

Dated: July 2021