



Lithium Universe
LIMITED

ABN 22 148 878 782

Consolidated Interim Financial Report

FOR THE HALF-YEAR ENDED 30 JUNE 2025

Contents

Consolidated Interim Financial Report	Page
Directors' Report	3
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	8
Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
Consolidated Statement of Financial Position	10
Consolidated Statement of Cash Flows	11
Consolidated Statement of Changes in Equity	12
Condensed Notes to the Half-Year Financial Statements	13
Directors' Declaration	24
Independent Auditor's Review Report	25

Directors' Report

The Directors of Lithium Universe Limited (“**Lithium Universe**” or “**the Company**”) present their report together with the consolidated financial statements for the six months ended 30 June 2025 (“**Half-Year 2025**”).

Directors

The names of the Company's Directors in office during the 2025-Half Year and until the date of this report are as below:

- Mr Ignatius Kim-Seng Tan (Executive Chairperson)
- Mr Jingyuan Liu (Non-Executive Director)
- Mr Patrick Scallan (Non-Executive Director)

Chief Financial Officer and Company Secretary

Mr John Sobolewski served as the Company's Chief Financial Officer (CFO) and Company Secretary during the 2025-Half Year and until the date of this report.

Chief Executive Officer

Mr Alexander Hanly served as the Company's Chief Executive Officer (CEO) during the 2025-Half Year. On 24 June 2025 he transitioned to the role of Chief Development Officer (CDO) and has continued to hold this position until 4 September 2025.

Principal Activities

The principal activities of the Group during the 2025-Half Year were as follows:

- Following the completion of the Preliminary Feasibility Study (PFS) for the Bécancour Lithium Carbonate Refinery in October 2024, the Company completed the Definitive Feasibility Study (DFS) in February 2025. This further de-risks the project and strengthens its technical merits. Leading engineering firm Hatch Ltd was the principal consultant for the study. The DFS was designed to refine capital and operating cost estimates, deliver detailed engineering and process design, and support both permitting and financing efforts.
- The Company is actively engaging with financial institutions and government agencies to secure project financing whilst concurrently progressing discussions with potential strategic partners regarding offtake agreements and feedstock supply.
- Due to ongoing holding costs and the focus of the Company on the Bécancour Lithium Refinery, the Board made the decision to relinquish the remaining Canadian Tenements (Apollo and Adina).
- Due to the current challenging conditions in the lithium market, the Company paused its option land payments for Lot 22 at Bécancour. The Company is actively working with the Société de la Place Industrielle de Bécancour (SPIPB) to resolve its longer-term position regarding the cancelled land option. The Company remains highly interested in the Bécancour land and is committed to resuming activity and further work as soon as the lithium market recovers. SPIPB has been very supportive and understanding of the current market situation.
- The Company acquired the global rights to commercially exploit a patented photovoltaic solar panel recycling technology known as Microwave Joule Heating Technology (MJHT) developed by Macquarie University and held by an Australian-incorporated holding company, New Age Minerals Pty Ltd (NAM). The transaction was finalised in July, when LU7 completed its due diligence and acquired 100% of the issued share capital of NAM.
- The Company acquired the global rights to Macquarie University's Jet Electrochemical Silver Extraction (JESE) Technology. The rights will be secured via an exclusive licensing agreement (Licensing Agreement) with Macquarie University, held through the Group's holding company, NAM.

Review of Results and Operations

The consolidated loss of the Group for the 2025 Half-Year after providing for income tax amounted to \$8,018,056 (2024 Half-Year: loss of \$6,955,978).

Objectives

The Company's objective is to ensure that both its lithium conversion and PV solar recycling strategies help meet the world's growing demand for clean energy, while offering a sustainable solution to the challenges of resource scarcity and waste management.

Review of Operations and Activities Summary

During the 2025 Half-Year, the Group made significant strides in advancing its strategic initiatives, particularly focusing on the development of the Québec Lithium Processing Hub and the acquisition of transformative solar cell recycling technology.

During the 2025 Half-Year, the following developments were made in the Company's operations:

Québec Lithium Processing Hub Strategy

In February 2025 the Company announced the results of its Definitive Feasibility Study (DFS) for the Bécancour Lithium Carbonate Refinery in Québec, Canada. The DFS confirmed the viability of a strong lithium conversion project, even within a below-average pricing environment. The Company plans to build a reliable, low-risk lithium conversion refinery with an annual capacity of up to 18,270 tonnes, utilising proven expertise from the Jiangsu processing model. The facility will produce environmentally friendly, battery-grade lithium carbonate. This aligns with the opportunity that the Company sees in contributing to the North Atlantic lithium supply chain and closing the Lithium Conversion Gap. With the DFS complete, the team has engaged in deep discussions with multiple offtake partners and spodumene concentrate producers. Securing long-term feedstock supply agreements for the Bécancour Lithium Refinery is key to unlocking the next stage of funding and has been a strong focus for the Company. In discussions with spodumene concentrate producers, they have all acknowledged the benefit of supplying their spodumene product to a local lithium converter as opposed to shipping to Chinese operations for conversion.

Solar Cell Recycling Technology

In June 2025 the Company announced the acquisition of the global rights to commercially exploit a patented photovoltaic solar panel recycling technology known as Microwave Joule Heating Technology (MJHT) developed by Macquarie University and held by an Australian-incorporated holding company, New Age Minerals Pty Ltd (NAM). The transaction was finalised in July, when the Company completed its due diligence and acquired 100% of the issued share capital of NAM.

The basis of Microwave Joule Heating Technology utilises microwave technology to selectively heat silicon, thereby softening the EVA encapsulant in solar panels, enabling easy delamination and potential recovery of valuable materials at room temperature. This approach avoids the need for extreme heat (1,400°C) typically required for separating materials like glass and silicon, as well as the use of costly, hazardous chemicals in traditional processes. Delamination also enables selective separation of materials, whereas traditional crushing methods often result in cross-contaminated material and lower recovery rates. The breakthrough technology offers a promising new approach for the enhanced recovery of valuable metals, including silver, silicon, gallium, and indium.

In August 2025 the Company announced that it had acquired the global rights to Macquarie University's Jet Electrochemical Silver Extraction (JESE) Technology. The rights will be secured via an exclusive licensing agreement (Licensing Agreement) with Macquarie University, held through the Group's holding company, NAM. This innovative process utilises a low-voltage electrochemical jet of diluted nitric acid to selectively dissolve silver from solar cells. By applying a potential of approximately 2V-5V between the silicon wafer contact (anode) and the jet probe (cathode), silver on the wafer surface undergoes anodic oxidation, forming Ag^+ ions that dissolve into the electrolyte through electrolysis-driven dissolution. The jet probe precisely tracks the silver fingers and busbars on the cell surface, enabling highly targeted silver removal without leaching of other impurities or damaging the underlying silicon wafer. The silver-ion electrolyte is continuously recirculated, and high-purity metallic silver is recovered via electrochemical deposition. Importantly, the silicon wafer remains intact and uncontaminated—unlike conventional processes that often introduce iron contamination through mechanical grinding with glass—making it suitable for potential high value silicon recycling. Macquarie's patent for this technology has been registered.

Financial Results

Revenue

The Company derived interest income on its short-term interest-bearing deposits held during the Half-Year 2025.

Net expenses and impairment

The following points are noted in relation to expenses for the Half-Year 2025:

- an impairment expense recognised against the Company's lithium and rare earth projects of \$5,230,944. The basis for the Company recognising an impairment expense has been further discussed in Note 7 below;
- costs incurred for the engineering studies for the Quebec Lithium Processing Hub (QLPH) strategy of \$364,000;
- administration expenses of \$306,377 at June 2025, which decreased by \$265,954 from June 2024. The cause of the decrease between the two periods was due the Company's operations having been significantly reduced due to cost saving initiatives; and

- > share based payments to directors, key management personnel and other personnel of \$363,688;

The residual expenses of the Company amount to \$1,760,791 is comprised of general overheads in relation to the day to day running of the Company, including directors and key management personnel costs, as well as marketing costs.

Statement of financial position

During the 2025 Half-Year the following key items occurred:

- > cash decreased from \$906,403 at 31 December 2024 to \$464,554 at 30 June 2025. This decrease was predominantly due to:
 - share placement (tranche 1), raising \$600,000 was completed in June 2025 (tranche 2 occurred in august 2025); and
 - payments to suppliers, directors and employees of \$1,075,380.
- > trade and other payables increased from \$419,497 at 31 December 2024 to \$1,263,074 at 30 June 2025, with the increase primarily related to:
 - amounts owing in respect to the Company's QLPH engineering studies;
 - land option fees; and
 - administration costs.

The trade and other payables owing at 30 June 2025 have subsequently either been paid in full or remain within their negotiated payment terms.

Cash Flow

The Half-Year cash flow for the 2025 Half-Year of the Group included:

- > an decrease in exploration costs from \$171,315 in June 2024 to \$3,482 in June 2025. The causes for the decrease to exploration costs during the 2025 Half-Year was due to relinquishment of the tenements.
- > payments made for engineering costs incurred in respect to the Company's QLPH strategy of \$9,705; and
- > an decrease in administrative costs from \$1,960,053 at June 2024 to \$1,075,380 at June 2025. The June 2025 Half Year administrative costs were largely comprised of payments for:
 - directors and key management personnel costs;
 - advertising and marketing costs;
 - legal fees; and
 - statutory costs incurred in relation to the compliance and listing requirements of the Company.

Corporate

Directors and Key Management

- > **Management Changes**

Alex Hanly – Chief Financial Officer

On 24 June 2025, Mr Alex Hanly transitioned from Chief Executive Officer (CEO) to the role of Chief Development Officer (CDO) and has continued to hold this position until 4 September 2025.

Share Issue

> Share Placement

On 18 June 2025, Lithium Universe announced that it had received binding commitments for 150,000,000 ordinary shares at an issue price of \$0.004 per share (**Tranche 1 Placement**). The total proceeds raised from the placement was \$0.60 million (before costs). Tranche 1 was completed on 26 June 2025.

In conjunction with the Tranche 1 Placement, the Company also received binding commitments for a further 275,000,000 ordinary shares (\$1.10 million), which were subject to shareholder approval at the Company's general meeting held on 4 August 2025 (**Tranche 2 Placement**). Tranche 2 was completed on 8 August 2025.

> Options

As part of the Company's Share Placement initiatives, participants were to be issued with one option for every two fully paid ordinary shares subscribed for, subject to shareholder approval (**Options**).

On 4 August 2025 at the Company's general meeting, shareholders resolved to approve the issuance of the Options. On 8 August 2025, the Company proceeded to allot the options.

The Options contain the following terms:

- an exercise price of \$0.008 per Option;
- expiry date of 36 months from issue (7 August 2028).

> Broker Options

As part of the Company's Share Placement initiatives, brokers were issued with 15,000,000 options containing the following terms:

- an exercise price of \$0.008 per Option;
- expiry date of 36 months from issue (7 August 2028).

> Performance Rights

Additionally, the Company executed a Corporate Advisor Mandate with 62 Capital. The Company issued the following Performance Rights to the Corporate Advisor, following shareholder approval on 4 August 2025:

- (a) 33,000,000 Performance Rights will vest and convert if the Company's volume weighted average share price on ASX for a period of 15 consecutive trading days (15-day VWAP) is at least \$0.007.
- (b) 33,000,000 performance rights will vest and convert if the (15-day VWAP) is at least \$0.009.
- (c) 33,000,000 performance rights will vest and convert if the (15-day VWAP) is at least \$0.011.

The performance rights will lapse if the applicable milestones have not been satisfied within 5 years from the date of issue of the performance rights (7 August 2030).

Events Subsequent to Balance Date

Since balance date, the following matters have arisen:

- > on 18 July 2025, the Company completed the acquisition of the Microwave Joule Heating Technology;
- > on 8 August 2025, following receipt of shareholder approval at its general meeting, the Company issued:
 - 275,000,000 ordinary shares to participants under the Company's share placement;
 - 227,500,000 options to participants under the Company's share placement and brokers; and
 - 99,000,000 performance rights to 62 Capital.
- > on 12 August 2025, the Company acquired the Jet Electrochemical Silver Extraction Technology.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.



Ignatius (Iggy) Tan
Executive Chairperson
11 September 2025

RSM Australia Partners

Level 7, 1 Martin Place
Sydney
NSW 2000
Australia
T +61 (02) 8226 4500
F +61 (02) 8226 4501
rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Lithium Universe Limited for the half year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink that reads "RSM".**RSM AUSTRALIA PARTNERS**A handwritten signature in blue ink that reads "C J Hume".

C J HUME
Partner

Sydney, NSW
Dated: 11 September 2025



Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 30 June 2025

	Note	30 June 2025 \$	30 June 2024 \$
Continuing Operations			
Revenue	5(a)	7,744	9,420
Administration expenses	5(b)	(306,377)	(572,331)
Compliance & professional expenses		(465,895)	(89,571)
Depreciation expense		(1,571)	(635)
Employee benefits		(696,941)	(877,057)
Impairment & write off of exploration and evaluation assets	7	(5,230,944)	(2,571,109)
Marketing & promotional		(339,192)	(406,535)
Plant engineering costs		(364,000)	(2,068,872)
Travel expenses		(48,431)	(328,262)
Other expenses	5(c)	(207,766)	-
Realised Foreign Exchange (Loss) / Gain		(995)	(181)
Share-based compensation expense	12(b)	(363,688)	(50,845)
Loss from continuing operations before income tax		(8,018,056)	(6,955,978)
Income tax expense		-	-
Loss after income tax expense for the year		(8,018,056)	(6,955,978)
Other comprehensive income:			
Gain on the revaluation of property (at fair value)		-	832,498
Total comprehensive (loss) for the period		(8,018,056)	(6,123,480)
Loss attributable to:			
Members of Lithium Universe Limited		(8,018,056)	(6,123,480)
Non-controlling interest		-	-
		(8,018,056)	(6,123,480)
Total comprehensive loss attributable to:			
Members of Lithium Universe Limited		(8,018,056)	(6,123,480)
Non-controlling interest		-	-
		(8,018,056)	(6,123,480)
Loss per share from continuing operations, attributable to the owners of Lithium Universe Limited:			
Basic loss per share (cents)		(0.79)	(3.07)
Diluted loss per share (cents)		(0.79)	(3.07)

The accompanying notes form part of these Financial Statements.

Consolidated Statement of Financial Position

As at 30 June 2025

	Note	30 June 2025 \$	31 December 2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	464,554	906,403
Trade and other receivables		5,247	59,616
Other current assets		123,614	306,661
TOTAL CURRENT ASSETS		593,415	1,272,680
NON-CURRENT ASSETS			
Right of use assets		11,690	11,690
Plant and equipment		3,627	1,644
Exploration, evaluation and development assets	7	-	5,223,821
TOTAL NON-CURRENT ASSETS		15,317	5,237,155
TOTAL ASSETS		608,732	6,509,835
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	1,263,074	419,497
Other liabilities	9	2,793,445	2,392,052
Lease liabilities		11,690	11,689
TOTAL CURRENT LIABILITIES		4,068,209	2,823,238
TOTAL LIABILITIES		4,068,209	2,823,238
NET LIABILITIES		(3,459,477)	3,686,597
EQUITY			
Issued capital	11	62,406,507	61,898,213
Reserves	12	15,083,178	14,719,490
Non-controlling interest		-	-
Accumulated losses		(80,949,162)	(72,931,106)
TOTAL EQUITY		(3,459,477)	3,686,597

The accompanying notes form part of these Financial Statements.

Consolidated Statement of Cash Flows

For the Half-Year Ended 30 June 2025

	Note	30 June 2025 \$	30 June 2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interest and other income received		7,744	9,420
Payments to suppliers, directors and employees		<u>(1,075,380)</u>	<u>(1,960,053)</u>
Net cash used in operating activities		<u>(1,067,636)</u>	<u>(1,950,633)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payment for exploration expenditure		(3,482)	(171,315)
Payments for plant and equipment		(3,555)	(3,000)
Payments for engineering studies		<u>(9,705)</u>	<u>(1,457,298)</u>
Net cash used in investing activities		<u>(16,742)</u>	<u>(1,631,613)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from placement (net of transaction costs)		<u>642,529</u>	<u>3,827,641</u>
Net cash provided by financing activities		<u>642,529</u>	<u>3,827,641</u>
Net (decrease)/increase in cash and cash equivalents held		(441,849)	245,395
Cash and cash equivalents at beginning of year		<u>906,403</u>	<u>1,361,590</u>
Cash and cash equivalents at end of the Half-Year	6	<u>464,554</u>	<u>1,606,985</u>

The accompanying notes form part of these Financial Statements.

Consolidated Statement of Changes in Equity

For the Half-Year Ended 30 June 2025

	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 January 2025	61,898,213	14,719,490	(72,931,106)	-	3,686,597
Loss for the period attributable to members of the parent entity	-	-	(8,018,056)	-	(8,018,056)
Fair value through Other Comprehensive Income	-	-	-	-	-
Non-controlling interest	-	-	-	-	-
Total Comprehensive Income for the period	-	-	(8,018,056)	-	(8,018,056)
Share Placement (June 2025)	600,000	-	-	-	600,000
Share issue costs	(91,706)	-	-	-	(91,706)
Share based payments	-	363,688	-	-	363,688
Balance at 30 June 2025	62,406,507	15,083,178	(80,949,162)	-	(3,459,477)
Balance at 1 January 2024	55,971,490	14,445,769	(61,402,128)	(295,921)	8,719,210
Loss for the period attributable to members of the parent entity	-	-	(6,955,978)	-	(6,955,978)
Fair value through Other Comprehensive Income	-	832,498	-	-	832,498
Non-controlling interest	-	-	-	-	-
Total Comprehensive Income for the period	-	832,498	(6,955,978)	-	(6,123,480)
Share Purchase Plan (April 2024)	463,500	-	-	-	463,500
Share Placement (May 2024)	1,900,333	-	-	-	1,900,333
Share Placement (June 2024)	1,744,000	-	-	-	1,744,000
Share issue costs	(280,192)	-	-	-	(280,192)
Share based payments	-	50,845	-	-	50,845
Balance at 30 June 2024	59,799,131	15,329,112	(68,358,106)	(295,921)	6,474,216

The accompanying notes form part of these Financial Statements.

Condensed Notes to the Consolidated Financial Statements

For the Half-Year Ended 30 June 2025

1 CORPORATE INFORMATION

The financial report of Lithium Universe Limited (“**the Company**”) for the Half-Year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Directors on 11 September 2025. The financial report comprises of the activities for the Company and its subsidiaries (together referred to as “**the Group**”), which is primarily involved in mineral exploration. The Company’s long-term goals are to close the “Lithium Conversion Gap” in North America and revolutionise the photovoltaic (PV) solar panel recycling sector. The Company is dedicated to securing the future of green energy by addressing two major strategic initiatives: the development of green, battery-grade lithium carbonate refinery in Quebec, Canada, and pioneering the recycling of valuable metals, including silver, from discarded solar panels.

The Company is incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The consolidated annual financial statements of the Group as at and for the year ended 31 December 2024 are available upon request from the Company’s registered office at Suite 9, 295 Rokeby Road, Subiaco WA 6008, or <https://www.lithiumuniverse.com/>

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Half-Year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The 2025 Half-Year financial report should be read in conjunction with the Annual Financial Report of Lithium Universe Limited as at 31 December 2024. It is also recommended that the Half-Year financial report be considered together with any public announcements made by Lithium Universe Limited and its controlled entities during the Half-Year ended 30 June 2025 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of Preparation

The Half-Year consolidated financial report is a general-purpose financial report, which has been prepared in accordance with the requirement of the Corporations Act 2001 and Australian Accounting Standards, including AASB 134 “Interim Financial Reporting”. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”. For the purpose of preparing the 2025 Half-Year financial report, the Half-Year has been treated as a discrete reporting period.

(b) Basis of consolidation

The Half-Year consolidated financial statements comprise the financial statements of Lithium Universe Limited and its controlled subsidiaries (the “**Group**”).

(c) New Accounting Standards and Interpretations

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding AASB134(16A)(a) interim reporting period, unless otherwise stated.

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(d) Going concern

As disclosed in the financial statements, the consolidated entity incurred a loss after tax of \$8,018,056 and had net cash outflows from operating and investing activities of \$1,067,636 and \$16,742 respectively for the half year ended 30 June 2025.

The ability of the consolidated entity to continue as a going concern is principally dependent upon raising additional capital or securing other forms of financing, as and when necessary to meet the levels of expenditure required for the consolidated entity to continue to progress the lithium refinery development activities and to meet the consolidated entity's working capital requirements.

These factors indicate significant uncertainty as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that it is reasonably foreseeable that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- the consolidated entity had a cash balance of \$464,554 as at 30 June 2025;
- proven ability of the consolidated entity to raise the necessary funding as evidenced by the raising of \$600,000 in cash (before share issue transaction costs) from shares issued during the half year ended 30 June 2025;
- additional capital raising of \$1.1 million from share placement (Tranche 2) has been successfully completed in August 2025;
- the consolidated entity has no future expenditure commitments for exploration activities following the relinquishment of the exploration tenements and has the ability to reduce other discretionary spending.
- the Directors will continue to monitor the capital requirements of the Group, and this includes additional capital raisings in future periods as required

Based on the above, the Directors are of the opinion that at the date of signature of the financial report there are reasonable and supportable grounds to believe that the consolidated entity will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of this financial report and has accordingly prepared the financial report on a going concern basis.

Should the consolidated entity be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the consolidated entity not be able to continue as a going concern.

3 FINANCIAL RISK MANAGEMENT

All aspects of the Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial report as at and for the year ended 31 December 2024.

4 SEGMENT INFORMATION

Identification of reportable segments

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

An operating segment is a component of the Group that engage in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segment results are regularly reviewed by the Group's Board of Directors to make decisions about resources allocated to the segment and assess its performance and for which discrete financial information is available.

The operating segments are identified by the Board of Directors based on the type of exploration being conducted by the Group. Detailed financial information about each of these operating businesses is reported to the Board of Directors on at least a quarterly basis.

The Group operated in three operating segments being rare earth and lithium exploration industry in Australia and Canada, and a non-exploration segment, which includes activities related to the Quebec Lithium Processing Hub (QLPH).

Types of products and services by reportable segment

(i) Rare Earth exploration

In the last financial year, the Group relinquished its exploration licences that were considered prospective for rare earth minerals. Accordingly, all exploration activities on these tenements have ceased.

(ii) Lithium exploration

The Group relinquished the remaining exploration licences (Apollo and Adina) that were considered prospective for lithium during the half-year. Accordingly, no exploration activities have been undertaken during this period. No income has been derived from the recovery of lithium during the half year ended 30 June 2025 (2024: nil).

(ii) Unallocated

Corporate, including treasury, corporate and regular expenses arising from operating the Company. Corporate assets, including cash and cash equivalents are reported in this segment.

4 SEGMENT INFORMATION

(a) Segment Information 30 June 2025

	Rare Earth	Lithium	Unallocated	Total
	\$	\$	\$	\$
Six months ended 30 June 2025				
Revenue				
Other revenue	-	-	7,744	7,744
Total segment revenue	-	-	7,744	7,744
Segment result	(3,000)	(5,240,725)	(2,774,331)	(8,018,056)
(Loss) before income tax and non-controlling interests	(3,000)	(5,240,725)	(2,774,331)	(8,018,056)
Income tax expense	-	-	-	-
Net (loss) for the six months as per Statement of Comprehensive Income	(3,000)	(5,240,725)	(2,774,331)	(8,018,056)
Assets and Liabilities				
Segment assets				
- Exploration Expenditure	-	-	-	-
	-	-	-	-
Unallocated assets				
- Right of use assets	-	-	11,690	11,690
- Cash and cash equivalents	-	-	464,554	464,554
- Property, plant and equipment	-	-	3,627	3,627
- Trade and other receivables	-	-	5,247	5,247
- Other assets	-	-	123,614	123,614
	-	-	608,732	608,732
Total assets as per the Statement of Financial Position	-	-	608,732	608,732
Segment and unallocated liabilities				
- Trade and other payables	-	-	1,157,330	1,157,330
- Lease liabilities	-	-	11,690	11,690
- Other liabilities	-	-	2,899,189	2,899,189
Total liabilities as per the Statement of Financial Position	-	-	4,068,209	4,068,209

4 SEGMENT INFORMATION

(b) Segment Information 30 June 2024

	Rare Earth	Lithium	Unallocated	Total
	\$	\$	\$	\$
Six months ended 30 June 2024				
Revenue				
Other revenue	-	-	9,420	9,420
Total segment revenue	-	-	9,420	9,420
Segment result	(1,409,314)	(1,173,593)	(4,373,071)	(6,955,978)
(Loss) before income tax and non-controlling interests	(1,409,314)	(1,173,593)	(4,373,071)	(6,955,978)
Income tax expense	-	-	-	-
Net (loss) for the six months as per Statement of Comprehensive Income	(1,409,314)	(1,173,593)	(4,373,071)	(6,955,978)
Assets and Liabilities				
Segment assets				
- Exploration Expenditure	-	5,219,899	-	5,219,899
	-	5,219,899	-	5,219,899
Unallocated assets				
- Right of use assets	-	-	11,690	11,690
- Cash and cash equivalents	-	-	1,606,985	1,606,985
- Property, plant and equipment	-	-	2,365	2,365
- Trade and other receivables	-	-	91,849	91,849
- Contract to acquire land	-	-	832,498	832,498
- Other assets	-	-	29,105	29,105
	-	-	2,574,492	2,574,492
Total assets as per the Statement of Financial Position	-	5,219,899	2,574,492	7,794,391
Segment and unallocated liabilities				
- Trade and other payables	-	-	881,058	881,058
- Lease liabilities	-	-	11,690	11,690
- Other liabilities	-	-	427,427	427,427
Total liabilities as per the Statement of Financial Position	-	-	1,320,175	1,320,175

5 REVENUE, INCOME AND EXPENSES FROM CONTINUING OPERATIONS

	30 June 2025 \$	30 June 2024 \$
(a) Income		
Interest income	7,744	9,420
	7,744	9,420
(b) Administrative Expenses		
Accounting and auditing expenses	120,050	130,345
Administration expenses	161,968	243,926
Corporate advisory expenses	24,359	198,060
	306,377	572,331
(c) Other Expenses		
Capitalised option fees paid, written off (i)	207,766	—
	207,766	—

(i) Option to acquire land at Lot 22 of the Bécancour Industrial Waterpark (BWIP)

The Group entered into an option agreement to purchase a land holding where it is anticipated that the Company's lithium refinery will be located (**Option**).

Exercise	At the election of Lithium Universe Limited
Purchase Price	\$CAD 9.275 million
Term	30 months from the date of entering into the option agreement
Option Fee	\$CAD 46,376 per month, commencing from February 2025

As at 30 June 2025, the Group has incurred A\$207,766 being the option fees for the purchase of the land. These option fees are non-refundable and had been capitalised. On cancellation of the Land Option Agreement, these fees have now been written off and expensed during half year ending 30 June 2025.

6 CASH AND CASH EQUIVALENTS

	30 June 2025 \$	31 December 2024 \$
CURRENT		
Cash at bank and in hand	464,554	906,403
	464,554	906,403

7 EXPLORATION, EVALUATION AND DEVELOPMENT ASSETS

		30 June 2025 \$	31 December 2024 \$
Exploration Expenditure (at cost)	(a),(c)	5,227,462	7,807,591
Less: Impairment	(b)	(5,227,462)	(2,583,770)
		-	5,223,821

(a) Carrying amount of Exploration Expenditure

		31 December
	30 June 2025	2024
Note	\$	\$
Carrying amount at the beginning of the year	5,223,821	7,481,680
Add: Expenditure capitalised during the period	3,641	325,911
Less: Impairment recognised during the period	(b) (5,227,462)	(2,583,770)
	-	5,223,821

(b) Discussion on impairment

At each reporting date, the Company undertakes an assessment of the carrying amount of its exploration and evaluation assets. Where an indication of impairment exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, to the assets carrying value.

Included within the capitalised exploration costs for the 2025 Half-Year are the following impairment adjustments, which have been recognised in the current period:

Lithium Projects (Adina and Apollo)

During the 30 June 2025 Half Year, the Company identified indicators of impairment on certain exploration and evaluation assets under AASB 6 *Exploration and Evaluation of Mineral Resources*. As a result of this review, a total impairment loss of \$5,227,462 was recognised at such time as a loss in relation to the Lithium Projects.

The basis for recognising an impairment adjustment for the Lithium Projects was due to the low prospectivity, based on the current exploration work conducted to date, coupled with issues concerning the projects (such as native title).

8 TRADE AND OTHER PAYABLES

		31 December
	30 June 2025	2024
Note	\$	\$
Trade payables	1,157,330	419,497
Other payables	105,744	-
	1,263,074	419,497

9 OTHER LIABILITIES

		31 December
	30 June 2025	2024
Note	\$	\$
CURRENT		
Accruals	2,558,720	2,032,000
Employee liabilities	72,405	137,900
Provision for employee entitlements	162,320	222,152
Total	2,793,445	2,392,052

10 COMMITMENTS AND CONTINGENCIES

Exploration Expenditure Commitment

The Group has relinquished all the remaining exploration licences for the Adina and Apollo lithium projects and accordingly there will be no further commitment to undertake any future exploration expenditure. As at 30 June 2025, the Group does not hold any exploration licences.

Solar Cell Recycling Technology

Under the Licence Agreements with Macquarie University, the Company will be required to pay annual fees of \$20,000 commencing 2027 until 2042. The Company will also reimburse an amount of \$14,300 for patent registration costs.

Bécancour Land Option

No commitment has been recognised in respect to the Company's option to acquire the land holding at Lot 22 of the Bécancour Industrial Waterpark (BWIP). The Company is required to make a monthly instalment payment of CAD46,376 commencing from March 2025 and until the option is exercised or expires. The Company has the option to terminate the option arrangement at its election during any stage of the agreement. These monthly payments are treated as part payment towards the total acquisition consideration of CAD 9.275 million but are non-refundable.

11 CONTRIBUTED EQUITY

		30 June 2025	31 December 2024
	Note	\$	\$
1,160,979,622 (December 2024: 1,010,979,622) Ordinary shares	(a)	62,406,507	61,898,213
		62,406,507	61,898,213

(a) Ordinary shares – movement reconciliation

	No.	No.
At the beginning of reporting period	1,010,979,622	613,521,897
Shares issued during the period:		
Share Purchase Plan (March 2024)	-	23,175,000
Share placement (Tranche 1, May 2024)	-	95,016,667
Share placement (Tranche 2, May 2024)	-	87,200,000
Share placement (Tranche 1, October 2024)	-	161,791,667
Share placement (Tranche 2, October 2024)	-	16,666,667
Non-Renounceable Entitlement Offer	-	4,300,997
Non-Renounceable Entitlement Offer (Shortfall)	-	9,306,727
Share placement (Tranche 1, June 2025)	(c)	150,000,000
At the end of the reporting period – number of ordinary shares on issue		1,160,979,622

(b) Ordinary shares – voting rights

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Group. On a show of hands at meetings of the Group, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote. In the event of winding up of the Group, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

(c) Share placement (Tranche 1, June 2025)

Tranche 1 Placement was issued at \$0.004 per share. Participants are entitled to one new free attaching option for every two shares subscribed for and issued, with expiry date 36 months from the date of the issue of options, and exercise price of \$0.008.

12 RESERVES

		30 June 2025	31 December 2024
	Note	\$	\$
Share based payments reserve	(b)	6,287,877	5,924,189
Options reserve		8,795,301	8,795,301
	(a)	15,083,178	14,719,490

(a) Movement in reserves

		30 June 2025	31 December 2024
		\$	\$
Opening balance		14,719,490	14,445,769
Current year share-based payment expense	(b)	363,688	273,721
		15,083,178	14,719,490

(b) Share based payments reserve

Movement in the Company's share-based payments reserve during the 2025 Half-Year were as follows:

		30 June 2025	31 December 2024
	Note	\$	\$
<i>Expense recognised during the year:</i>			
Share-based compensation granted to directors	(ii)	85,027	98,431
Share-based compensation granted to consultants and key management	(i)	278,661	175,290
		363,688	273,721

(i) Factor/assumptions pertaining to share based payments issued to consultants and key management

At the Company's General Meeting held on 18 July 2023, shareholders approved an Employee Securities Incentive Plan (ESOP). On 16 August 2023, the Company resolved to issue 8,000,000 unlisted options key management personnel under the ESOP. Another 2,000,000 unlisted options were issued to key management personnel on 12 March 2024, under the ESOP, with the same terms and conditions as those issued on 17 August 2023.

In addition, on 12 July 2024, the Company resolved to issue 42,000,000 performance rights to consultant and key management personnel.

The following factors and assumptions were used in determining the fair value of the option and performance rights under the Monte Carlo option valuation model ("MC model").

	Performance Rights	Options
Grant date	12/07/2024	17/08/2023
Option life	60 months	36 months
Fair value per option (MC model)	\$0.016	\$0.037
Exercise price	\$0.00	\$0.03
Price of shares on grant date	\$0.016	\$0.05
Expected volatility	85.00%	80.00%
Risk-free interest rate	4.17%	3.91%

12 RESERVES (continued)

(ii) Factor/assumptions pertaining to share based payments to directors

On 16 August 2023, the Company resolved to issue 2,000,000 unlisted options to directors, under the ESOP.

At the Company's General Meeting held on 14 June 2024, shareholders resolved to approve the issuance of 26,000,000 performance rights to directors.

The following factors and assumptions were used in determining the fair value of the options and performance rights under the Monte Carlo option valuation model ("MC model").

	Performance Rights	Options
Grant date	12/07/2024	17/08/2023
Option life	60 months	36 months
Fair value per option (MC model)	\$0.015	\$0.037
Exercise price	\$0.00	\$0.03
Price of shares on grant date	\$0.016	\$0.05
Expected volatility	85.00%	80.00%
Risk-free interest rate	4.17%	3.91%

(iii) Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to directors, employees and consultants. Equity-settled transactions are awards of shares, or options over shares, that are provided to directors, employees and consultants in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit and loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in the profit and loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in the previous periods.

13 CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)
Parent Entity:		
Lithium Universe Limited ²	Australia	
Subsidiaries:		
Lefroy Lithium Pty Ltd (formerly eSports Nominees Pty Ltd)	Australia	100
eSports Mogul LLC ¹	United States	100
Tasmanian REE Pty Ltd	Australia	100
Lithium Universe (Holdings) Limited	Canada	100
Lithium Universe Refinery Limited	Canada	100

Notes

¹ An application has been submitted to the U.S. Securities and Exchange Commission (SEC) to initiate the winding-up process of eSports Mogul LLC and the Company.

² No consolidated income tax group was established under the Australian tax consolidated regime at 30 June 2025.

14 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Directors are not aware of any contingent liabilities or assets as at the date of these financial statements.

15 EVENTS AFTER THE BALANCE SHEET DATE

Since balance date, the following matters have arisen:

- > on 18 July 2025, the Company completed the acquisition of the Microwave Joule Heating Technology;
- > on 8 August 2025, following receipt of shareholder approval at its general meeting, the Company issued:
 - 275,000,000 ordinary shares to participants under the Company's share placement;
 - 227,500,000 options to participants under the Company's share placement and brokers; and
 - 99,000,000 performance rights to 62 Capital.
- > on 12 August 2025, the Company acquired the Jet Electrochemical Silver Extraction Technology.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Directors' Declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 23 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the Half-Year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors.



Ignatius (Iggy) Tan
Executive Chairperson
11 September 2025

RSM Australia Partners

Level 7, 1 Martin Place
Sydney
NSW 2000
Australia
T +61 (02) 8226 4500
F +61 (02) 8226 4501
rsm.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
LITHIUM UNIVERSE LIMITED

Report on the Half-Year Financial Report*Conclusion*

We have reviewed the accompanying half-year financial report of Lithium Universe Limited 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 half-year ended on that date, notes comprising a summary of material accounting policy information and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Lithium Universe Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Lithium Universe Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



Material Uncertainty Related to Going Concern

We draw attention to Note 2(d) in the half-year financial report, which indicates that the consolidated entity incurred a net loss of \$8,018,056 and had net cash outflows from operating and investing activities of \$1,067,636 and \$16,742 respectively for the half year ended 30 June 2025. As of that date, the consolidated entity's total liabilities exceeded its total assets by \$3,459,476. As stated in Note 2(d), these events or conditions, along with other matters as set forth in Note 2(d), indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors of Lithium Universe Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



RSM AUSTRALIA PARTNERS



C J HUME
Partner

Sydney, NSW
Dated: 11 September 2025