

31 December 2024

SUCCESSFUL COMPLETION OF TRANCHE 2 SHARE PLACEMENT

Highlights

- Successful settlement of Tranche 2 of the share placement to sophisticated and professional investors, raising \$0.20 million.
- Funds will be predominately used to further progress the Definitive Feasibility Study and the payment of the Bécancour land option costs.

Lithium Universe Limited (referred to as "Lithium Universe" or the "Company," ASX: "LU7") is pleased to announce that further to its announcement dated 31 October 2024 (ASX:LU7 *LU7 Completes Share Placement and Launches Entitlement Offer*) (**Announcement**), it has now settled the second, and final tranche of its share placement to sophisticated and professional investors (**Tranche 2**).

Tranche 2 of the Company's Placement comprised of 16,666,667 fully paid ordinary shares (**Shares**), which have been issued today after receipt of shareholder approval was received at the Company's General Meeting held on 19 December 2024 (**General Meeting**). The Shares were issued at a price of A\$0.012 per share, raising A\$200,000.

Issuance of Listed Options

Following the Company's General Meeting, shareholders have approved the issuance of one new listed option for each share subscribed to by participants under the Tranche 1 and Tranche 2 share placements. These options have an expiry date of 12 January 2026 and an exercise price of \$0.03.

A total of 178,458,334 listed options were allotted today and are trading under the ASX code LU7O.

Cleansing Statement

In accordance with Section 708A(11) of the Corporations Act 2001 (Cth) (**the Act**), the Company advises that the Shares have been issued without disclosure under Part 6D.2 of the Act.

The Shares are quoted securities of the Company and a prospectus was previously lodged with ASIC on 1 November 2024. The prospectus relates to an offer of securities by the Company that are in the same class as the Shares. The offer under the prospectus remains open.

- Ends -

Authorisation

Authorised by Iggy Tan, Chairman of Lithium Universe Limited.

Lithium Universe Interactive Investor Hub

Engage with Lithium Universe directly by asking questions, watching video summaries and seeing what other shareholders have to say about this, as well as past announcements, at our Investor Hub <https://investorhub.lithiumuniverse.com/>

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Forward-looking Statements

This announcement contains forward-looking statements which are identified by words such as 'anticipates', 'forecasts', 'may', 'will', 'could', 'believes', 'estimates', 'targets', 'expects', 'plan' or 'intends' and other similar words that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward-looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as of the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors, and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed, or anticipated in these statements.

ABOUT LITHIUM UNIVERSE LIMITED

Lithium Universe is on a mission to close the 'Lithium Conversion Gap' in North America by developing a green battery-grade lithium carbonate refinery in Québec, Canada. Our primary focus is on supporting the supply chain needs of original equipment manufacturers (OEMs), particularly in the automotive sector, by converting spodumene supply into essential lithium chemicals for electric vehicle (EV) battery plants.

THE LITHIUM CONVERSION GAP

As North America anticipates a significant increase in battery manufacturing—over 20 major manufacturers planning to deploy an estimated 1,000GW of battery capacity by 2028—the demand for lithium is projected to reach approximately 850,000 tonnes of lithium carbonate equivalent (LCE) per annum. Currently, there are no operational converters in North America, with only 100,000t of LCE hard rock converters slated for construction by 2028. Our strategic approach aligns with national security goals to reduce dependence on Chinese lithium converters and onshore the lithium battery supply chain.



PROVEN LITHIUM TECHNOLOGY

Our Bécancour refinery will utilize the proven technology developed at the Jiangsu Lithium Carbonate Plant, which has set a global benchmark for lithium refineries. By leveraging this established technology, we aim to produce up to 18,270 tonnes/year of green battery-grade lithium carbonate, focusing initially on lithium carbonate production for LFP batteries. Our design employs a smaller, off-the-shelf plant model, ensuring ease of operation and implementation.

PROVEN LITHIUM EXPERTISE

Lithium Universe boasts a team of industry leaders known for expedient and quality lithium project delivery and operation. Chairman, Iggy Tan, a pioneer in the lithium industry, previously led Galaxy Resources to establish the first large-scale vertically integrated mine-to-refinery project. Other key figures include Patrick Scallan, who expanded production at the world-class Greenbushes Mine, and Dr. Jingyuan Liu, a technical expert in downstream lithium processing having worked on over 20 lithium converters worldwide. Their combined experience positions us to execute our strategy effectively.

THE LITHIUM UNIVERSE STRATEGY

Our positive and robust Bécancour Refinery Pre-Feasibility Study (PFS) demonstrates economic viability even in a low pricing environment. We maintain a counter-cyclical strategy, building projects through the cycle. This positions us to effectively close the Lithium Conversion Gap while maintaining exposure to the inevitable lithium price recovery given the strong worldwide lithium demand.

PRELIMINARY FEASIBILITY STUDY

Our financial projections are promising, with an estimated pre-tax NPV (8%) of approximately US\$779 million and an internal rate of return (IRR) of around 23.5%, with a payback period of 3.5 years. This is based on a conservative spodumene concentrate (SC6) price forecast of US\$1,170/t and a battery-grade lithium carbonate price of US\$20,970/t. Operating costs are projected at approximately US\$3,976/tonne, with a capital cost estimate of US\$494 million. We anticipate annual revenue of around US\$383 million and EBITDA of approximately US\$147 million, with break-even points of around US\$780/t (SC6) and US\$14,000/t for Li₂CO₃.