

13 March 2024

LITHIUM UNIVERSE LAUNCHES SHARE PURCHASE PLAN

Highlights

- Share Purchase Plan (SPP) offered to raise working capital and reward former Mogul Games Group Limited and IPO shareholders
- SPP at an issue price of \$0.02 per share
- Represents a 9.09% discount to the closing price of \$0.022 per share on 12 March 2024 and a 9.09% discount to the 5-day VWAP prior to this announcement
- Funds applied to engineering studies and working capital requirements
- Eligible shareholders to take advantage of a unique business model
- Focused on lithium conversion for multinational players together with the continued exploration of suite of lithium and rare earth assets
- Closing the lithium downstream conversion gap in North America
- Option agreement to acquire an industrial site in Bécancour, Québec
- Site has capacity for three trains with a total of 48,000 tpa LCE

Lithium Universe Limited (“**Lithium Universe**”, the “**Company**” or ASX: “**LU7**”) is delighted to announce the opportunity for eligible shareholders of the Company to participate in an equity raising via a Share Purchase Plan (**SPP**), targeting to raise up to \$A3.0 million.

Proceeds from the SPP will help advance the Company’s Québec Lithium Processing Hub (**QLPH**) strategy. The QLPH strategy comprises of building a lithium concentrator and lithium refinery facility in Canada that will provide the critical materials for batteries in the North American market.

Presently, approximately 900 gigawatts (GW) of cathode/battery projects are under consideration for the North American continent, featuring prominent players such as Tesla, LG Energy, Northvolt, POSCO, Ford, GM, and Toyota, among others. This translates to a demand for 800,000 tons per annum (**tpa**) of lithium chemicals.

North America lacks operational lithium converting refineries, with only approximately 100,000 tpa of lithium chemicals in planned capacity. Recognizing this lithium processing gap, LU7 is poised to address this need. The Company’s unique QLPH strategy focuses on the opportunity to convert spodumene offtake for multinational players, facilitating the conversion process closer to their supply chains in North America, rather than solely relying on China. It is also envisaged that any run of mine ore generated by the Company’s mineral assets in Canada would form part of the spodumene mix feeding the QLPH in the future.

Mr. Iggy Tan, Chairman of Lithium Universe said *“The Company is looking to raise working capital and reward previous Mogul Games shareholders and new shareholders for their continual support by pricing the SPP at the price of the Lithium Universe IPO completed in August 2023 (via a re-compliance listing). Despite the decline in lithium prices affecting numerous industry players, Lithium Universe is full steam ahead. We view the current short-term dip in lithium prices as an advantageous window to finalize feasibility studies for the QLPH before the onset of the next cycle. These moments present tangible opportunities for our organization and we invite current shareholders to position themselves for the next lithium cycle. I look forward to achieving several significant milestones in 2024 for the QLPH strategy. We are well advanced on the key engineering studies which will form the basis for the Company moving towards funding, construction and development”.*

Share Purchase Plan Details

The SPP will enable existing shareholders who are recorded on the Company’s share register at close of market on 12 March 2024 (**Record Date**), with a registered address in Australia or New Zealand to participate (**Eligible Shareholder**). Eligible Shareholders will be permitted to purchase up to \$A30,000 ordinary shares in the Company (subject to any scale back), without incurring brokerage or transaction costs. All shares issued under the SPP will rank equally with existing ordinary shares of the Company.

The SPP is being undertaken under ASX Listing Rule 7.2, exception 5 and as such, the issue will not take up any of the Company’s placement capacity and will not require shareholder approval.

New shares issued under the SPP will be offered at \$0.02 per share (**SPP Price**), representing a 9.09% discount to the closing price of \$0.022 per share on the Record Date of 12 March 2024, and a 9.09% discount to the volume weighted average price of the Company’s shares calculated over the last 5 days on which sales in the shares were recorded prior to the date of this announcement.

Eligible Shareholders may participate by selecting one of the following options to purchase SPP Shares:

| | SPP Application Amount | Number of Shares which may be purchased |
|---------|------------------------|---|
| Offer A | \$2,000 | 100,000 |
| Offer B | \$5,000 | 250,000 |
| Offer C | \$10,000 | 500,000 |
| Offer D | \$15,000 | 750,000 |
| Offer E | \$20,000 | 1,000,000 |
| Offer F | \$30,000 | 1,500,000 |

The Company is seeking to raise a total of \$3 million under the SPP. The Company may, in its absolute discretion, increase the size of the SPP offer (provided that the number of shares issued under the SPP does not exceed 30% of the number of shares currently on issue) or undertake a scale back to the extent and in the manner it sees fit. If a scale back is undertaken, applications will be scaled back having regard to the pro rata

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shareholdings of Eligible Shareholders as at the Record Date. However, the Company may also, where appropriate, scale back the number of New Shares to be issued at its absolute discretion.

Further details in relation to the SPP, including the SPP terms and conditions, are set out in the Company's prospectus, dated 13 March 2024, which is available to download from the Company's ASX announcements platform (ASX:LU7).

Background and Opportunity

Since the Company's re-listing in August 2023, considerable achievements have been made towards advancing the Company's business objectives. Such achievements have included:

- commencement of exploration at the Company's flagship Apollo project in James Bay;
- the appointments of Hatch Ltd and Primero Group Limited as the engineering groups responsible for the design of a lithium refinery and lithium concentrator plant (respectively) in Canada;
- extensive advancement and progress of concentrator and lithium refinery feasibility studies;
- progression of the Company's downstream converter strategy in Canada; and
- entering into an option agreement to acquire an industrial site in Bécancour, Québec, solidifying the Company's strategic positioning in Canada. This site boasts the capability to accommodate three refineries, each producing 16,000 tons per annum of battery-grade lithium carbonate, potentially reaching a total capacity of 48,000 tons per annum.

Objectives and Use of Funds

The proceeds raised under the Plan will be used to:

- advance the engineering studies relating to the design of a:
- standalone, 1 million tonne per annum multipurpose spodumene concentrator, which is to be located within the world class James Bay region of Québec, Canada;
- 16,000 ton per annum, multi-purpose battery grade lithium carbonate refinery, which is to be located within the up-and-coming battery valley, in Bécancour, Canada; and
- meet the working capital requirements of the Company.

Indicative Timetable

The indicative dates for the SPP are as follows:

| Event | Date |
|--------------------------------------|------------------------------|
| Record Date for Share Purchase Plan | 12 March 2024 (5:00 pm AWST) |
| Announcement of Share Purchase Plan | 13 March 2024 |
| Lodgement of Prospectus with ASIC | 13 March 2024 |
| Opening date for Share Purchase Plan | 15 March 2024 |
| Closing date for Share Purchase Plan | 3 April 2024 |

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| | |
|---|--------------|
| Announcement of results of Share Purchase Plan | 8 April 2024 |
| Issue of Shares and quotation of Shares under the Share Purchase Plan | 8 April 2024 |

The above dates are indicative only and are subject to change, subject to compliance with the ASX Listing Rules and the Corporations Act. In particular, the Company may extend or close the SPP offer early, depending on demand. Accordingly, Eligible Shareholders who wish to participate in the SPP offer are encouraged to apply as soon as possible after the offer opens.

Video summary of the Company's Share Purchase Plan by Chairman, Iggy Tan:

<https://investorhub.lithiumuniverse.com/link/4PK1Je>



-Ends-

Authorised for release by Iggy Tan, Chairman of Lithium Universe Limited

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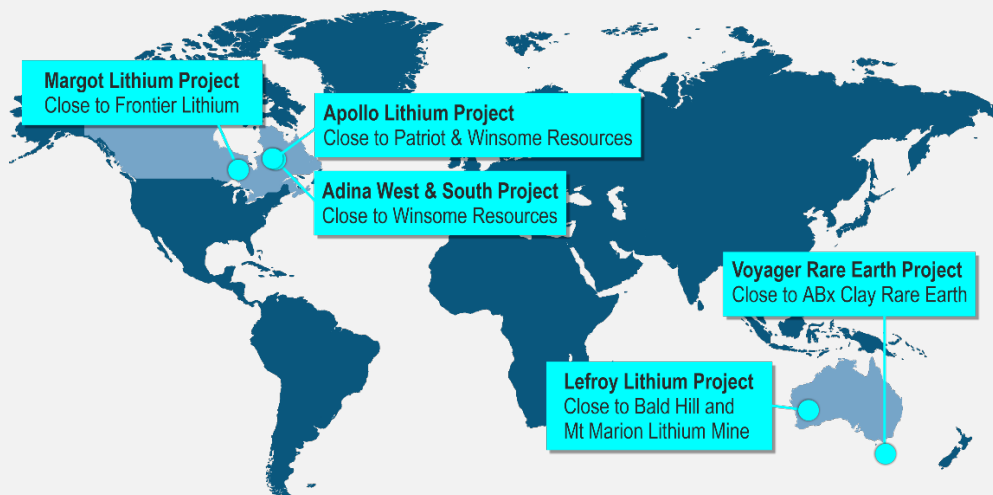
Forward-looking Statements

The Company wishes to remind investors that the presence of pegmatite does not necessarily equate to spodumene mineralization. Also that the presence of pegmatite and spodumene mineralization on nearby tenements does not necessarily equate to the occurrence on Lithium Universe Limited's tenements. 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 at 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 actually 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 (ASX:LU7)

LU7's main objective is to establish itself as a prominent Lithium project builder by prioritizing swift and successful development of Lithium projects. Instead of exploring for the sake of exploration, LU7's mission is to quickly obtain a resource and construct a spodumene-producing mine in Québec, Canada. Unlike many other Lithium exploration companies, LU7 possesses the essential expertise and skill to develop and construct profitable projects. Additionally, Lithium Universe Limited has access to significant Lithium opportunities in Tier 1 mining jurisdictions in Canada and Australia.

Tier 1 Lithium Inventory



Apollo Lithium Project (80%)

Commanding a land position spanning over 240 km², Apollo is located in the same greenstone belt and only 29 kilometres south-east of the Corvette Lithium Project owned by Patriot Battery Metals (market cap of over A\$1.4 billion). Patriot's most successful drill result was a remarkable 156 meters at 2.12% Li₂O at CV5. Similarly, 28 kilometres to the east, Winsome Resources Limited (market capitalization of over A\$300 million) recently announced drilling hits of 107 meters at 1.34% Li₂O from 2.3 meters (AD-22-005) at their Adina Project. Apollo has 17 pegmatite outcrops reported on the tenement package. Given the exceptional results from these neighbouring projects, the Apollo Lithium Project has the potential to be equally successful.

Adina South & Adina West Lithium Project (80%)

The project is situated in close proximity to the Adina discovery, which is owned by Winsome Resources, a Company with a Market Capitalisation of over A\$300m in the market. The Adina Project has produced a visual pegmatite intersection of over 160m in drills, lying beneath outcropping 4.89% Li₂O. Recently, Winsome Resources reported successful drilling results, with AD-22-005 yielding 107m at 1.34% Li₂O from 2.3m at their Adina Project. The Adina South & Adina West Lithium Project boasts one of the largest prospective land holdings near Winsome Resources Limited. Aerial satellite images have revealed similar pegmatite occurrences at the surface.

Margot Lake Lithium Project (80%)

The Margot Lake project is located in north-western Ontario, in the premium lithium mineral district of Ontario's Great Lakes region. The project is situated 16km southeast of Frontier Lithium's (TSX-V: FL) PAK Deposit, which contains 9.3Mt at 2.0% Li₂O, and 18km away from Frontier's Spark Deposit, which contains 32.5Mt at 1.4% Li₂O. The tenement contains nine confirmed and mapped pegmatites and is located in a highly competitive district due to recent major discoveries of lithium. Frontier Lithium, with a market capitalization more than CAD\$450 million, is a significant player in the region.

Lefroy Lithium Project (100%)

Lefroy is in the mineral-rich Goldfields region of Western Australia. This strategically located project is in close proximity to the Bald Hill Lithium Mine, which has a top-quality spodumene concentrate with low levels of mica and iron, as well as significant tantalum by-product production. The Bald Hill mine has a resource of 26.5 million tonnes at 1.00% Li₂O. The Lefroy project is also located near the Mt. Marion Lithium Mine, which is owned by Mineral Resources and has a market capitalization of A\$17B. Mt. Marion produces 900,000 tonnes of mixed-grade spodumene concentrate annually and is approximately 60 kilometres from the Lefroy project.

Voyager Rare Earth Project (80%)

The Voyager project is north tenements are positioned between ABx Group tenures, where clay-hosted rare earth elements (REE) and niobium have been discovered and hold resources of 27Mt. These areas are analogous with Ionic Adsorption Clay (IAC) deposits that have produced REE in southern China using simple leaching. ABx stated that early testwork indications show their rare earth elements are easily leached and could be concentrated at low cost, with no deleterious elements. Geological mapping of Voyager's tenures indicates the presence of various areas of clay and bauxite, which is the ideal geological environment for the occurrence of rare earth elements.