

QUARTERLY REPORT

March 2024

HIGHLIGHTS

Previous Galaxy Resources CFO Joins Lithium Universe Team

- Appointment of Mr John Sobolewski as CFO
- Highly experienced in modelling DFS stage projects
- Previously CFO of Galaxy Resources
- Previously CEO of Mintrex
- Instrumental in the funding of Mt Cattlin Mine and Jiangsu Refinery

Comprehensive Test Program For Lithium Carbonate Refinery In Progress

- Metallurgical testing on various international sources of spodumene
- Spodumene feedstock optionality whilst Canadian supply develops
- Targeted Refinery site has river and port access for global spodumene supply
- First program achieves 99.7% LiCO_3 above the battery grade spec of 99.5% LiCO_3

Lithium Universe Secures Quebec Prime Industrial Land For Lithium Refinery

- Secured prime industrial property in the Bécancour Waterfront Industrial Park (BWIP)
- Strategic location, hydroelectricity, gas, road, rail, and spodumene import facilities
- The site has the capability for three 16,000 tpa Lithium Carbonate refineries
- Located within 1km of General Motors/POSCO Cathode factory and Ford/EcoPro BM Cathode factory and 140km from Northvolt's EV battery facility at Saint-Basile-le-Grand
- Favourable terms including no option fee until July 2024 and option term of 3 years

Completion of Port Study for Spodumene Import to Lithium Carbonate Refinery

- Completion of port study focussed on identifying optimal import of spodumene to Bécancour Lithium Refinery
- Spodumene feed, to be sourced from within Canada or external locations such as Brazil, Africa, or Australia
- Ability to directly import spodumene into the Bécancour lithium refinery
- Trois-Rivières, Sorel, Québec, Montreal, and Bécancour ports evaluated
- Preferred port for the project will be the Bécancour port

Lithium Universe Launches Share Purchase Plan

- 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 the announcement

Closing the Lithium Conversion Gap in North America

- Lithium Universe to play pivotal role in closing the lithium conversion gap
- Target conversion contracts with OEMs who have spodumene off take
- Target "take or pay" agreements with OEMs to reduce market/price risks
- LFP batteries expected to capture 87% of the ESS market share by 2033
- Strong Federal and Provincial government financing support within the industry
- Lithium Universe committed to building through the lithium cycle

Previous Galaxy Resources CFO Joins Lithium Universe Team

Lithium Universe Limited announced the appointment of Mr John Sobolewski as Chief Financial Officer ("CFO").

Mr Sobolewski's experience in the lithium industry offers another valuable addition to the LU7 "Dream Team". At Galaxy Resources, John played a pivotal role during the feasibility, funding, construction, and operation phases of the Mt Cattlin Spodumene mine and Jiangsu Lithium Carbonate refinery. John was also crucial in establishing finance teams and systems in Australia and internationally. His experience in financial and debt modelling for both projects will be critical in Lithium Universe completing Definitive Feasibility Studies of the Québec Lithium Processing Hub Concentrator and Lithium Carbonate Refinery projects.

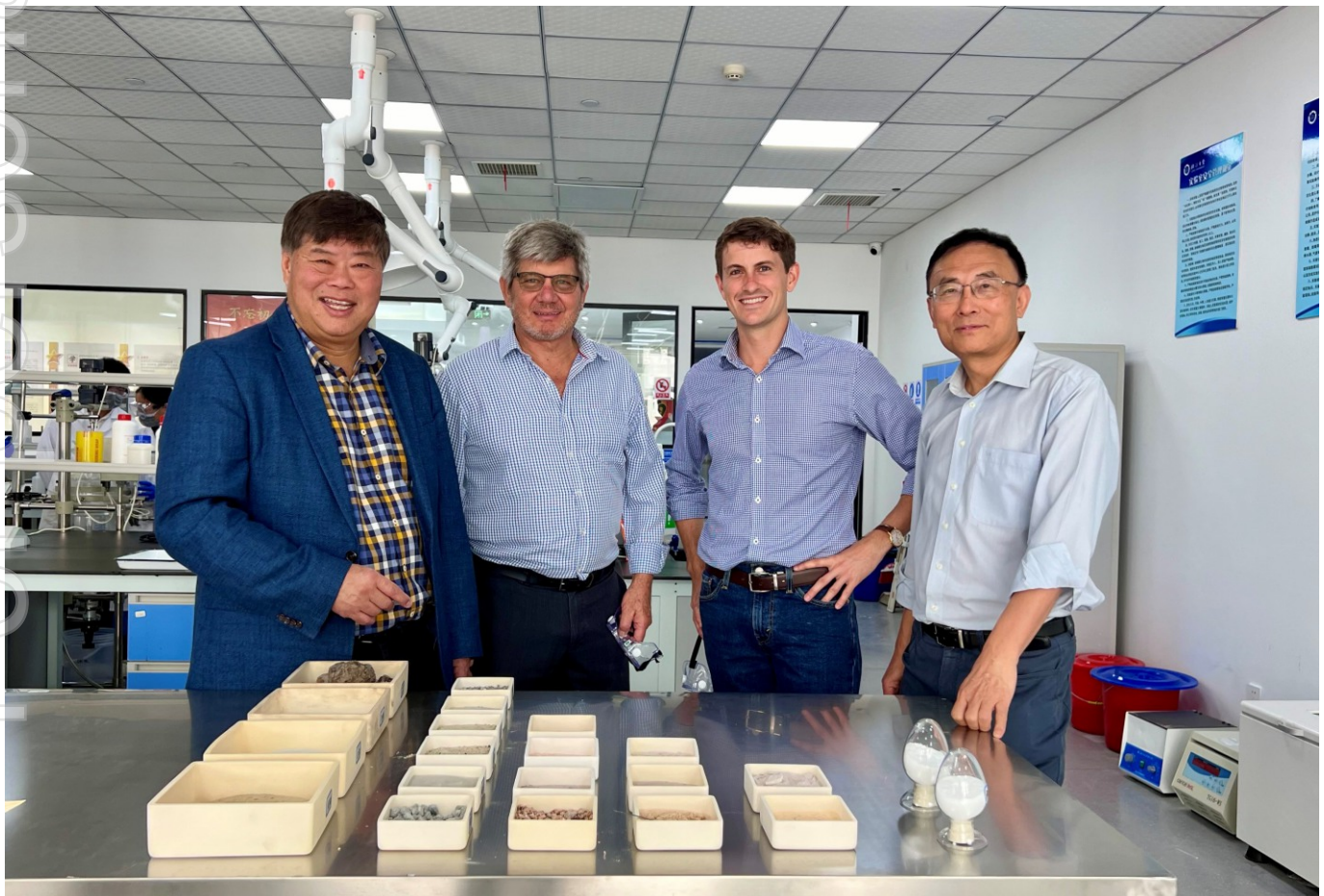


Mr Sobolewski is a Chartered Accountant and a graduate of the Australian Institute of Company Directors. His previous roles include Managing Director and CEO with Mintrex, CFO and Company Secretary with Mintrex, Galaxy Resources Limited and Vital Metals Limited, Financial Controller and Company Secretary with Croesus Mining NL and Group Accountant and Company Secretary with Titan Resources NL.

Commenting on his appointment, Mr Sobolewski said that he was looking forward to joining the LU7 team. "I am thrilled to join a team that has unsurpassed experience in an industry that is critical to the world's energy transition. With my skills and experience, I endeavour to play a key role in delivering the Company's compelling Québec Lithium Processing Hub strategy," he said.

An interview with Mr Sobolewski can be seen on the following youtube link:

<https://youtu.be/AatNmluWP1c>



Board members and CEO visiting laboratory testing

Comprehensive Test Program for Lithium Carbonate Refinery in Progress

Lithium Universe Limited announced that in response to the Lithium conversion capacity gap in the North American market, the Company has initiated metallurgical testing on various sources of spodumene. This process involves utilizing the flow sheet developed for the Québec Lithium Processing Hub Refinery.

The objective of establishing a downstream standalone lithium refinery is to design it with the robust capability to process spodumene feedstock from any part of the world. Samples from Australia, Brazil, and Africa, featuring various lithium grades, have been collected and are currently undergoing metallurgical laboratory processing in LU7's contracted laboratory. Lithium Universe has meticulously selected a diverse range of commercial spodumene concentrates for these tests, encompassing a broad spectrum of lithium grades, particle sizes, and impurities. The comprehensive test program encompasses calcination, sulphation, leaching, impurity removal, precipitation, and final purification, all aimed at achieving a battery-grade product. Currently, the testing is progressing smoothly, and no challenges have been identified with any of the spodumene samples. Each test program is thorough and spans several weeks, with one complete program already concluded successfully achieved 99.7% LiCO_3 against the international battery grade specification of 99.5% Li CO_3 . All impurity levels were well within specification limits.

The ongoing testwork program is an integral component of the engineering study being conducted by Hatch Ltd (Hatch) for the Company's Québec Lithium Processing Hub (QLPH) multi-purpose battery-grade lithium carbonate refinery. The Refinery is designed to handle a capacity of 16,000 metric tpa, assuming a spodumene feed grade of approximately 5.5% Li_2O . Within the scope of this program, spodumene samples, ranging from 5.0% to 6.0% Li_2O with diverse particle sizes, are being subjected to comprehensive testing. This initiative aligns with the overall engineering study aimed at ensuring the efficacy of the lithium carbonate production process within the specified parameters of the QLPH refinery.

This series of laboratory tests ensures the transformation of spodumene into high-purity battery-grade lithium carbonate through a systematic and controlled process, (See Figure 1 Process Flow Diagram).



Lithium Universe contracted laboratory test facilities

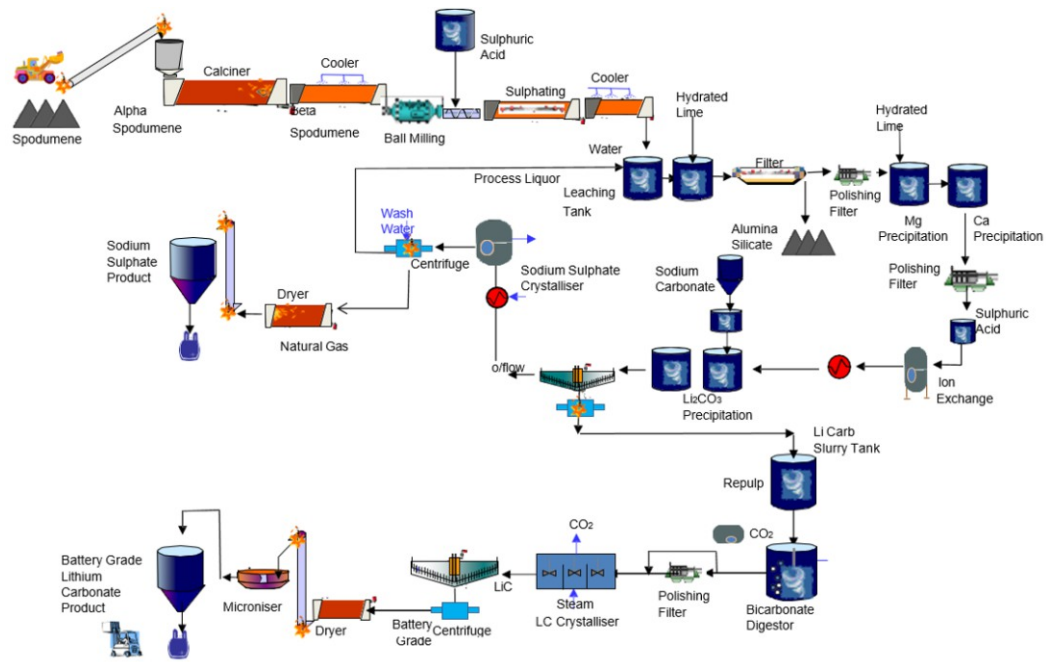


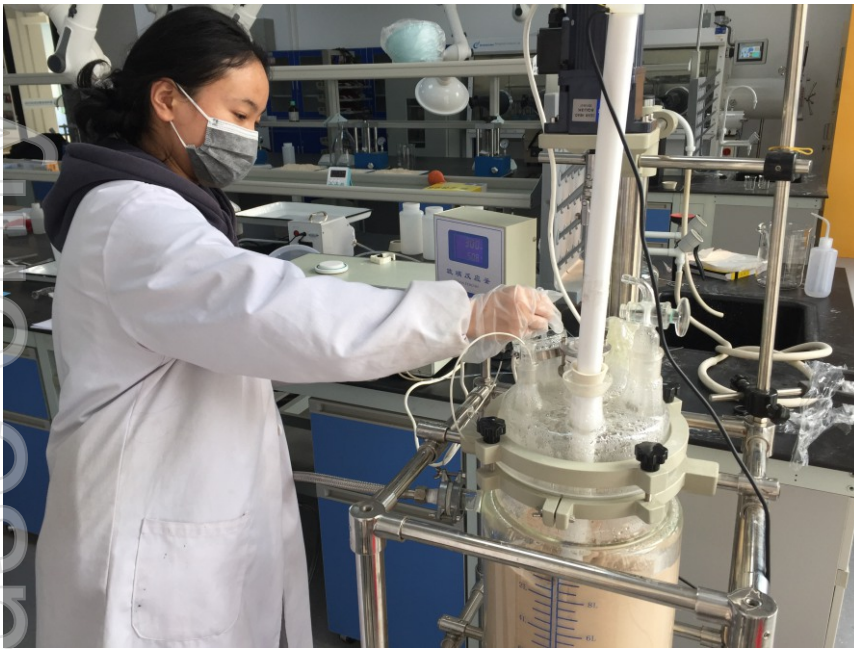
Figure 1 - Process Flow Diagram, QLP Lithium Refinery



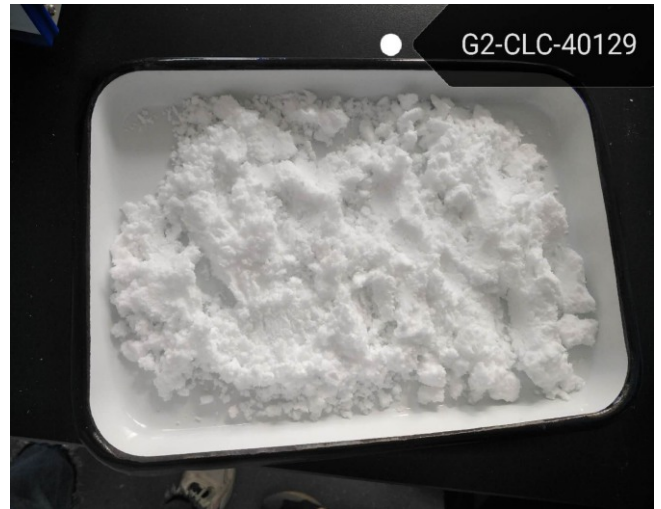
Calcination of Spodumene – Before and After



Sulphation Roasting (Left) and Leaching (Right)



Oxidation Impurity Removal (Left) and Li Carb Precipitation (Right)



Battery Grade Lithium Carbonate



Lithium Universe Secures Quebec Prime Industrial Land For Lithium Refinery

Lithium Universe Limited announced that as part of its strategy to address the Lithium conversion capacity gap in the North American market, the company has successfully executed an option agreement (Option Agreement) to acquire a commercial property strategically located within the Bécancour Waterfront Industrial Park (BWIP). The site is Lot 22 of the Parc industriel et portuaire de Bécancour, Bécancour, Québec, Canada, with an area estimated to be 276,423 square metres (the Site).

Video summary of the Company's proposed Bécancour Lithium Refinery location:



<https://investorhub.lithiumuniverse.com/link/XyMO4r>

About the Site

The Company's Site is strategically situated in Bécancour, just south of Trois-Rivières, and is optimally positioned between Montreal and Québec City. Positioned near a major highway, the site seamlessly connects to the extensive North American highway network. Additionally, the facility benefits from daily service by the Canadian National Railway (CN), enabling cross-continental transportation from east to west and north to south, linking key ports on the Atlantic and Pacific coasts. The Port of Bécancour, operational all year-round, boasts a water depth of 10.67 meters, accommodating vessels of varying sizes. It features a pier extending 1,130 meters into the St. Lawrence River, equipped with 5 berths and a roll-on/roll-off ramp, further solidifying its strategic fit as the location for the Company's proposed Lithium Carbonate Refinery due to its ability to easily access international spodumene supply whilst the Canadian internal spodumene supply develops.

The Site stands at the intersection of hydro-electrical distribution networks, making the BWIP a highly reliable centre for low-cost hydroelectric power in Québec. In addition, the park features a co-generation plant generating 550 MW, reinforcing its appeal to the Company. Additionally, the BWIP benefits from a robust infrastructure, including a 2400 kPa high-pressure line and an underground distribution network, ensuring a seamless supply to user companies. Moreover, the park offers access to both potable and industrial water, as well as advanced industrial waste facilities.

Proposed Use of the Site

The intended use of the Site will be to host the Company's proposed lithium carbonate refinery. As previously outlined under the Company's QLPH strategy, a lithium carbonate refinery, rather than lithium hydroxide refinery, has been selected due to the widespread use of the concentrate in the fast-growing Lithium Iron Phosphate (LFP) batteries. LFP batteries are increasingly used in EV applications due to their lower costs, longer shelf life and superior stability compared with lithium hydroxide. In addition, having regard to the Lithium Universe Board and management expertise in lithium carbonate processing, the Site is considered to have the necessary attributes to be a success of the Company's proposed facilities. Figure 2 shows the layout of the first 16,000 tpa lithium carbonate refinery. The site is large enough to cater for future expansions, with a further two trains of 16,000 tpa being able to fit on the site, See Figure 3.

South side of Lot 22 at Bécancour, Québec proximal to highway access





Figure 2: The Company's site layout superimposed on Lot 22 at Bécancour, Québec.



Figure 3: Potential expansion of additional trains at Lot 22 at Bécancour, Québec.



North side of Lot 22 at Bécancour, Québec proximal to rail infrastructure.

Key Terms of the Option Agreement

The Option Agreement is with the Société du Parc Industriel et Portuaire de Bécancour (SPIPB), a company incorporated in Québec, pursuant to which SPIPB has granted the Company an exclusive and irrevocable right under the Option Agreement to acquire the Site.

The key terms and conditions of the Option Agreement are set out below:

- it is subject to regulatory and shareholder approvals;
- the expected purchase price is \$CAD 12.6 million (Purchase Price). The final price is subject to a survey;
- the Purchase Price is to be increased by the cost of any infrastructure works;
- option term of 36 months from the date of signing of the Option Agreement;
- the first option fee of \$CAD 63,135 per month (Option Fee) for a period of 30 months from July 2024. The Option Fee reduces the Purchase Price.

Completion Of Port Study for Spodumene Import to Lithium Carbonate Refinery

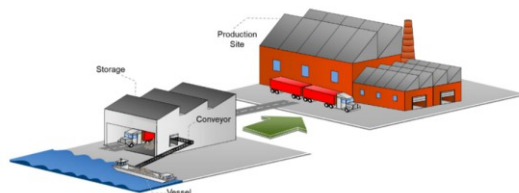
Lithium Universe Limited announced the successful completion of a port study aimed at determining the most efficient import scenario for lithium-rich spodumene to supply the Bécancour Lithium Refinery. The proposed refinery, which will rely on spodumene feed, may source this material from within Canada or external locations proximal to the Atlantic Ocean such as Brazil, Africa, or even further abroad to Australia. The crucial aspect is the ability to directly import spodumene into the Bécancour lithium refinery.

The study systematically evaluated the capabilities of key ports, including Trois-Rivières, Sorel, Québec, Montreal, and Bécancour, to manage the importation and storage of spodumene. This comprehensive analysis focuses on assessing the logistical framework essential for supporting spodumene importation. It encompasses an in-depth examination of infrastructure, specific capabilities, and available equipment of each target port, ensuring the selection of optimal routes and storage solutions in alignment with the project's logistics requirements.

The company has determined that the preferred port for the project will be the Bécancour port. The delivery plan for the product involves bulk shipments, with vessels ideally carrying a cargo quantity of 30,000 tonnes and a minimum shipment requirement set at 10,000 tonnes per vessel. The processing site is anticipated to consume 10,000 tonnes of spodumene every four weeks. The annual transportation volume is estimated to be around 140,000 tonnes of spodumene.

Ongoing discussions regarding the expansion of the terminal emphasize the port's commitment to meeting the evolving needs of its growing customer base in the region. This commitment extends to acquiring specialized equipment, particularly bulk unloading equipment, tailored to the requirements of companies establishing a presence in the Bécancour Industrial Park.

Optimal transport logistics for spodumene importation



Bécancour port in relation to LU7 Lithium Refinery Site (Left), and Beth Set up (Right)





LU7 Board of Directors

Lithium Universe Launches Share Purchase Plan

Lithium Universe Limited announced 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.

Share Purchase Plan Details

New shares issued under the SPP were 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 the announcement.

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.

What is the 'Lithium Gap'?

North America anticipates a surge in battery manufacturing, with over 20 major manufacturers planning to deploy an estimated 1,000GW of battery capacity. Canada has ascended to the top spot in BloombergNEF's Global Lithium-Ion Battery Supply Chain Ranking, signalling its emergence as a significant global supplier of battery materials. However, bridging the gap between the growing supply of lithium ore and the increasing demand for highly processed lithium carbonate remains a challenge and opportunity. Lithium Universe is advancing a mine-to-battery-grade lithium carbonate strategy in Canada through the Québec Lithium Processing Hub (QLPH). The QLPH includes a multi-purpose independent 1 Mtpa concentrator and an independent 16,000 tpa battery-grade lithium carbonate refinery.

Over the past decade, numerous lithium conversion plants worldwide have encountered technical and startup challenges. Even established lithium producers have found lithium conversion to be a challenging task. Lithium Universe presents a solution to mitigate these risks. The company has formed a team, dubbed the Lithium Dream Team, comprising experts in hard rock lithium extraction and downstream conversion operations. By leveraging proven technology in spodumene concentration and lithium conversion design, the company aims to minimize execution risk.

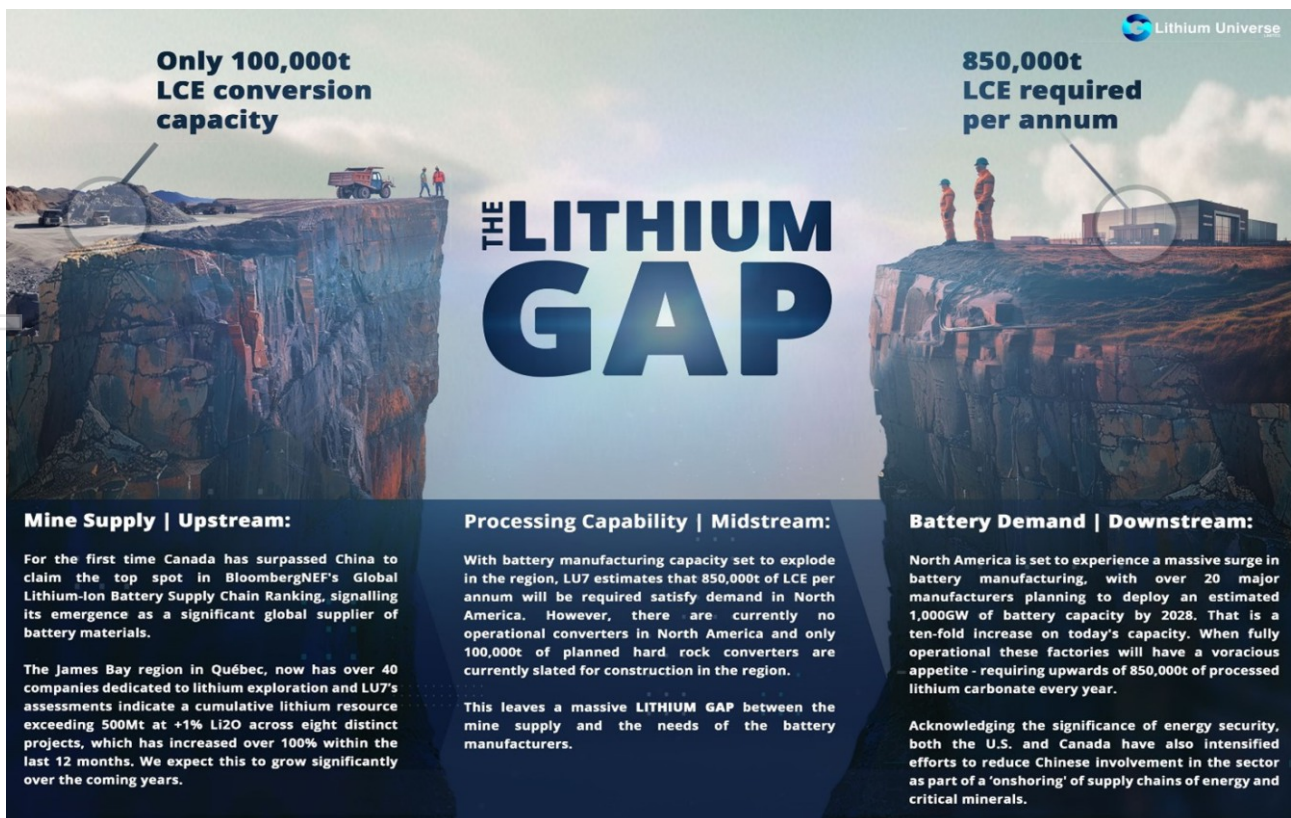
Closing the Lithium Conversion Gap in North America

Lithium Universe Limited provided a strategic update on addressing the gap in lithium conversion capacity and enhancing the North American supply chain.

Video Summary of
'The Lithium Gap' Video summary of the Company's strategy to address the lithium gap:

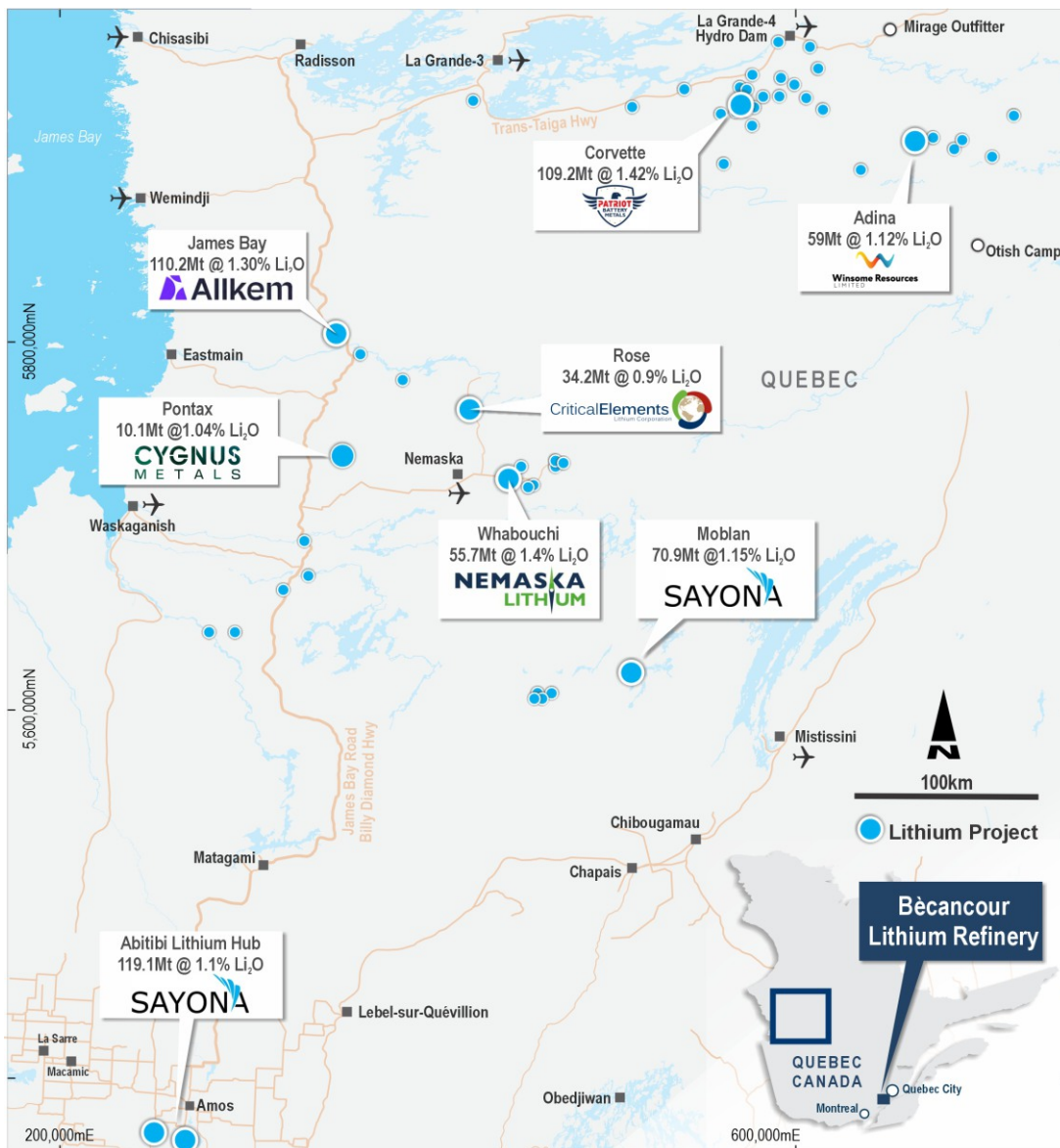


<https://investorhub.lithiumuniverse.com/link/7eXaEr>



The Emerging James Bay Supply

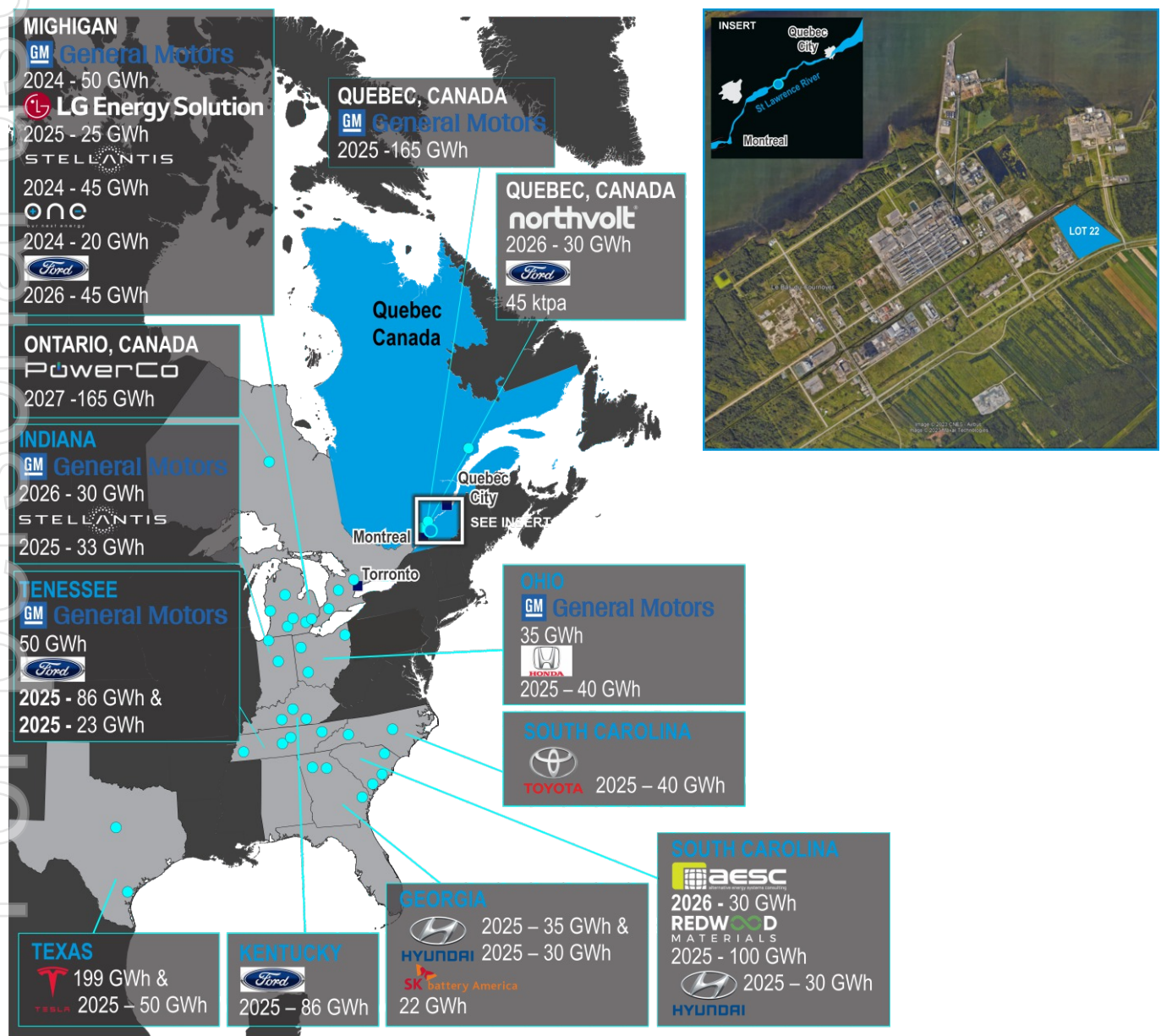
The Company has engaged with numerous exploration entities operating within the region of James Bay, Québec and estimate there are over 40 companies dedicated to lithium exploration in the area. Our assessments indicate a cumulative lithium resource exceeding 500Mt at +1% Li₂O across eight distinct projects, which has increased over 100% within the last 12 months. This significant increase is due to the upgraded resource of 110.2Mt at 1.3% Li₂O by Arcadium Lithium at the James Bay Project, the maiden resource of Patriot Battery Metals at Corvette of 109Mt at 1.42% Li₂O and most recently the announcement of Winsome Resource's 59Mt at 1.12% Li₂O resource at their Adina Project.



Summary of key lithium projects within the James Bay region in Québec, amounting to a cumulative global resource of over 500Mt at +1% Li₂O

A significant gap in lithium conversion and processing looms in North America. Assuming the planned battery manufacturing capacity of 1,000 GW by 2028, using a ratio of 850g lithium carbonate equivalent (LCE) per KWh, the Company estimates that 850,000t of LCE per annum will be required to satisfy demand in North America. Currently, there are no operational converters in North America and the Company estimates approximately only 100,000t of planned hard rock converters are slated for construction in the region. The Lithium Universe strategy is to bridge this gap by leveraging a proven track record in constructing

Multiple original equipment manufacturers (OEMs) have secured spodumene supply contracts from mines globally to ensure a steady provision of lithium chemicals for their cathode/battery plants. If these OEMs are in the automotive sector, the batteries are intended for their proposed electric vehicle (EV) facilities in Europe and North America. However, a challenge arises as they need to convert this spodumene supply in China before shipping the lithium units to their supply chains in Europe and America. This poses a significant hurdle in establishing a dependable supply chain, particularly due to limited lithium converters in North America.



The Bécancour facility is proximal to approximately 25 new battery manufacturing and cathode facilities proposed to be in operation by the end of 2028 on the eastern seaboard of North America

The region aims to reduce reliance on Chinese suppliers, aligning with both commercial and national security objectives. The business model of Lithium Universe is straightforward: the company will seek to convert essential spodumene supply for these OEMs in North America and ensure the availability of critical units for the North American supply chain. Pricing is likely to be based on "take or pay" agreements with the OEMs, incorporating certain risk-reducing mechanisms such as floor and ceiling prices to protect Lithium Universe. As long as there's an established margin to guarantee LU7 refinery's payback, the OEMs gain assurance and sustainability in conversion supply without LU7 being exposed to price and market volatility risks. This arrangement presents a win-win scenario, and discussions with potential offtake partners have already commenced.

Despite prevailing lithium market dynamics, Lithium Universe remains committed to building through lithium market cycles and addressing the North American lithium conversion deficit with the QLPH Lithium Carbonate Refinery.

Canada as the next emerging battery supply chain

Canada has surpassed China to claim the top spot in BloombergNEF's Global Lithium-Ion Battery Supply Chain Ranking, a comprehensive annual evaluation of 30 countries' potential to develop secure, reliable, and sustainable lithium-ion battery supply chains. This marks a significant milestone as it's the first time China has been displaced from the number one position.

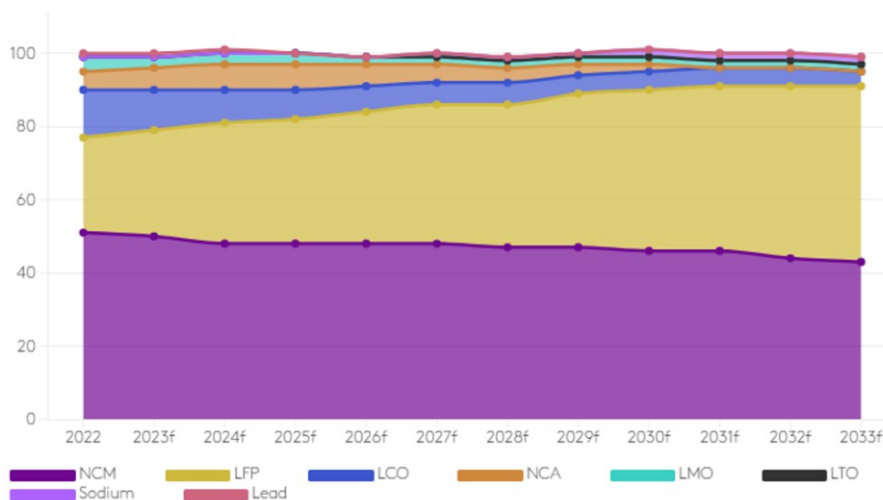
Canada's consistent advancements in manufacturing and production, coupled with robust ESG credentials, have positioned it as a frontrunner in shaping the future of battery supply chains. Additionally, Canada's close integration with the US automotive sector has further bolstered its standing, particularly benefiting from the 'friendshoring' goals outlined in the Inflation Reduction Act.

LFPs Becoming the Battery of Choice

Lithium Iron Phosphate (LFP) batteries are poised to dominate the global battery market, encompassing electric vehicles (EVs), energy storage systems (ESSs), and consumer electronics (CEs), with a projected 48% market share by 2033, according to analysts at Fastmarkets. Renowned for their stability, safety, and cost-effectiveness despite relatively lower energy density compared to Nickel Cobalt Manganese (NCM) batteries, LFP batteries currently reign supreme in China's domestic EV market, accounting for over 67% of installations in 2023.

While LFP adoption outside of China is growing, its advantages over NCM batteries position it favourably as economies worldwide push for EV and ESS adoption to drive the energy transition. With its cathode material reliant on lithium carbonate and iron phosphate, LFP is particularly vital in large-scale energy storage applications. Experts foresee substantial growth in the ESS market, with LFP batteries expected to capture 87% of the market share by 2033, driven by their affordability and reliability. Furthermore, LFP's are anticipated to expand rapidly in the passenger EV sector, reaching a 43% market share by 2033, though NCM will remain dominant due to OEM preferences in the US and Europe. However, the trend is shifting, with more OEMs incorporating LFP cathodes.

Global chemistry mix for EV, ESS and CE
% market share



LFP batteries are poised to dominate the Global battery market, with a projected 48% market share by 2033

[Source: Fastmarkets, December 2023]

Onshoring the Supply Chain

The industry encounters a significant challenge in establishing a reliable supply chain, especially due to limited access to lithium converters in North America. The region seeks to decrease dependence on Chinese companies, aligning with both commercial and national security goals. Currently, Chinese firms hold a commanding position in the global lithium converter and refining market. Our Company estimates that over 95% of the world's spodumene conversion capacity is located in China. Similarly, Canada, acknowledging the significance of energy security, has intensified efforts to reduce Chinese involvement in the sector as part of a "decoupling" or "de-risking" strategy, mirroring the actions taken by the United States. In November 2022, following a national security review, the Canadian government mandated the divestment of Sinomine (Hong Kong) Rare Metals Resources, Chengze Lithium International Ltd., and Zangge Mining Investment from Canadian critical minerals companies, transitioning from words to decisive actions. The prevailing trend towards supply chain localization presents a significant opportunity for Lithium Universe to leverage.

Proactive Government Support

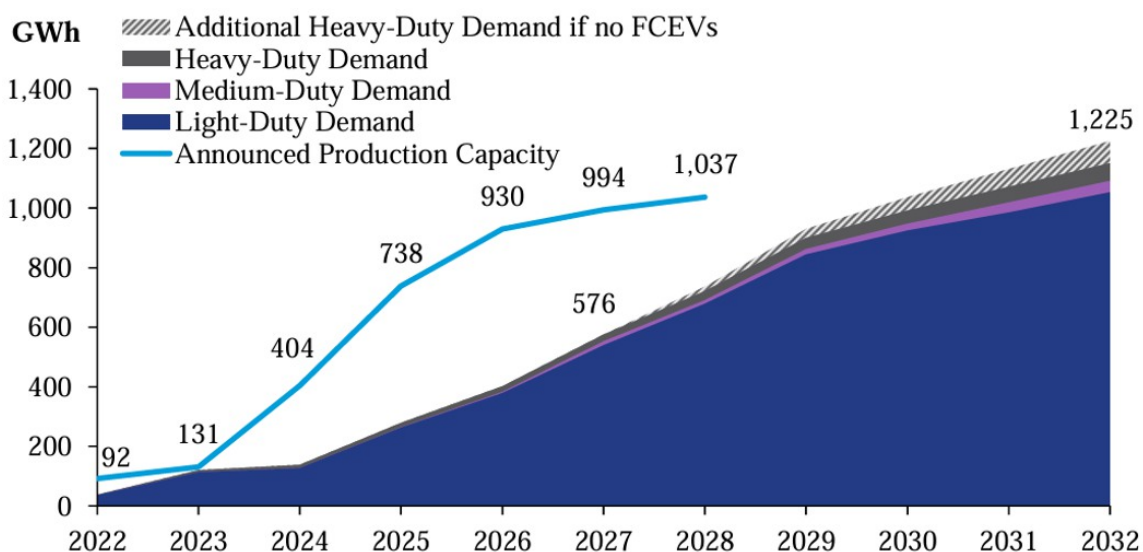
Canada's Critical Minerals Strategy, unveiled in December 2022, outlines Canada's commitment to becoming the premier global supplier of critical minerals for green technologies. With C\$3.8 billion in funding allocated, the strategy aims to reduce reliance on foreign mineral inputs. Budget 2022 introduced the Canada Growth Fund (CGF), a \$15 billion initiative facilitating private sector investment in Canadian businesses and projects.

The aim is to expedite and amplify Canada's economic growth while transitioning towards a net-zero future. Projects eligible for funding will be assessed based on their Canadian presence, intellectual property development, and contribution to value chain creation, with a focus on strengthening critical supply chains.

Lithium battery supply chain development has a strong recent history of provincial and federal government support and attractive operational incentives for delivery of critical minerals supply chain solutions. Recent government involvement extends to the General Motors (GM) and Korea-based POSCO Chemicals' US\$1 billion cathode active material (CAM) factory, the Ford/EcoPro BM US\$800 million cathode factory in addition to the Northvolt's EV US\$7 billion Battery Facility at Saint-Basile-le-Grand, placing the Company's project in a favourable regulatory environment.

North American Battery Surge

North America is set to witness a substantial surge in battery manufacturing, with over 20 major battery manufacturers planning to deploy an estimated 1,000GW of battery capacity by 2028. By 2030, Georgia, Kentucky, and Michigan in addition to other states are poised to dominate electric vehicle (EV) battery production in the United States. These states aim to collectively manufacture between 97 and 136 gigawatt hours of EV batteries annually. To meet the escalating demand for EVs, it is estimated that North America's EV battery manufacturing capacity will skyrocket from 92 gigawatt-hours in 2022 to nearly 1,000 gigawatt-hours by 2028.



Projected US EV Battery Demand and Announced Battery Production Capacity (2022-2032)
[Source: US Department of Energy, January 2023]

COMPANY SNAPSHOT

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.

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.

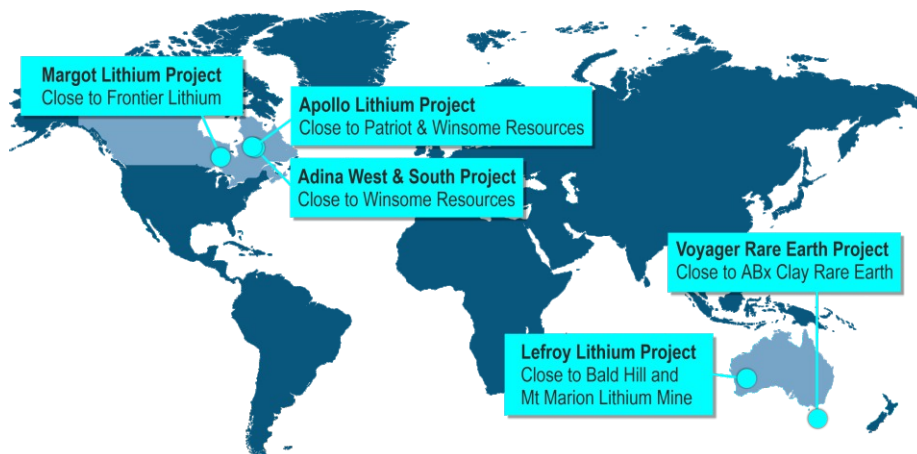
Lefroy Lithium Project (100%)

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 Mt 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 21Mt. 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.

TIER ONE LITHIUM INVENTORY



QUARTERLY REPORT

March 2024

Lithium Universe Limited
ASX: LU7

ABN: 22 148 878 782

Financial Information

(as at 31 March 2024)

Share Price:	\$0.02
Shares:	613M
Options:	119M
Performance Rights:	61M
Market Cap:	\$12.27M

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Directors

Iggy Tan	Chairman
Gernot Abl	Executive Director
Pat Scallan	Non-Executive Director
Dr. Jingyuan Liu	Non-Executive Director
Fadi Diab	Non-Executive Director

Lithium Universe Interactive Investor Hub

Engage with Lithium Universe directly by asking questions, watch video summaries and see what other shareholders have to say, as well as past announcements.

<https://investorhub.lithiumuniverse.com/>



FORWARD-LOOKING

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.

COMPETENT PERSON

The information in this announcement which relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr. Hugues Guérin Tremblay, Exploration Manager – Canada and President of Laurentia Exploration Inc and Mr. Justin Rivers, Head of Geology – Lithium Universe Ltd. Mr Tremblay (P.Geo) is duly registered with the Ordres des Géologues du Québec (OGQ) as a geologist, member #1584, and a member of the Quebec Mineral Exploration Association (AEMO) and the Prospectors and Developers Association of Canada (PDAC). Mr. Tremblay has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person (CP) as defined in the JORC, 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and has read the definition of "qualified person" (QP) set out in National instrument 43-101 ("NI 43-101") and certify that by reason of education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, fulfills the requirements to be a "qualified person" for the purposes of NI 43-101. Mr. Rivers is a member of and Chartered Professional with the Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Rivers has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person (CP) as defined in the JORC, 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Both Mr Tremblay and Mr. Rivers consent to the inclusion in this release of the matters based on the information in the form and context in which they appear.

ASX Additional Information

The Company provides the following information pursuant to ASX listing Rule requirements:

(a) ASX Listing Rule 5.3.1

Exploration and Evaluation Expenditure spend during the quarter was \$62,917. Full details of the exploration activity that had been conducted by the Company during the quarter has been set out within this report.

(b) ASX Listing Rule 5.3.2:

The Company confirms that there was no mine production and development activities for the quarter.

(c) ASX Listing Rule 5.3.5:

Payments to related parties of the entity and their associates outlined in the Company's Appendix 5B for the quarter related to directors' fees of \$69,170.

(d) ASX Listing Rule 5.4.4

The Company provides the following comparison of its actual expenditure on the individual items in the "use of funds" statement in its IPO Prospectus since the date of its admission to the ASX against the estimate expenditure on those items in the "use of funds" statement in the IPO Prospectus and an explanation of any material variances.

The material variances are due to the Company only recently being admitted to the Official List of the ASX on 14 August 2023. Additionally, the Company has incurred expenditures in respect to its "Lithium Processing Hub" strategy.

Use of Funds	Estimate of the first 2 years after ASX admission ¹ (\$)	Actual Use since admission to the ASX (\$)	Balance Remaining (\$) ³
Exploration and Development	4,842,092	2,211,545	2,630,547
Lead Manager Fees	270,000	275,683	(5,683)
Transaction costs	311,482	330,317	(18,835)
Working capital ²	1,490,000	3,706,383	(2,216,383)
Total	6,913,574	6,523,928	389,646

Notes to ASX Listing Rule 5.4.4 table

¹ Lithium Universe Limited's (ASX:LU7) Use of Funds – ASX Prospectus 21 June 2023 Item 2.3 'Proposed use of funds'

² Includes expenditures incurred in respect to the Company's "Lithium Processing Hub" strategy.

³ The difference between the Company's bank balance at 31 March 2024 and the closing balance per the table above is represented by expenditures that were incurred prior to the Company's compliance listing (June 2023).

(e) ASX Listing Rule 5.3.3

In accordance with Listing Rule 5.3.3, LU7 provides the following information concerning its exploration licences. No applications were made during the quarter by the Company to acquire further licences or surrender its existing licences.

The following table lists the Company's exploration licences held at the end of the quarter, and their location:

(f) Project	(g) Exploration Licence	(h) Location	(i) Status	(j) Ownership
Apollo ¹		Quebec, Canada	Granted	80%
Adina South ²		Quebec, Canada	Granted	80%
Adina West ³		Quebec, Canada	Granted	80%
Margot Lake ⁴		Quebec, Canada	Granted	80%
Voyager	EL32/2022	Tasmania, Australia	Granted	80%
Voyager	EL40/2022	Tasmania, Australia	Granted	80%
Lefroy	E15/1876	Western Australia, Australia	Granted	100%
Lefroy	E15/1877	Western Australia, Australia	Granted	100%

Notes

¹ The Apollo Project comprises of 464 claims/licences, all of which are held 80% by Lithium Universe Limited. A detailed list of the claims can be found within the Company's Prospectus dated 21 June 2023.

² The Adina South Project comprises of 40 claims/licences, all of which are held 80% by Lithium Universe Limited. A detailed list of the claims can be found within the Company's Prospectus dated 21 June 2023.

³ The Adina West Project comprises of 49 claims/licences, all of which are held 80% by Lithium Universe Limited. A detailed list of the claims can be found within the Company's Prospectus dated 21 June 2023.

⁴ The Margot Lake Project comprises of 32 claims/licences, all of which are held 80% by Lithium Universe Limited. A detailed list of the claims can be found within the Company's Prospectus dated 21 June 2023.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

LITHIUM UNIVERSE LIMITED

ABN

Quarter ended ("current quarter")

22 148 878 782

31 March 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(103)	(103)
	(e) administration and corporate costs	(695)	(695)
1.3	Dividends received (see note 3)		
1.4	Interest received	8	8
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(790)	(790)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements (including transaction costs)		
	(c) property, plant and equipment	(3)	(3)
	(d) exploration & evaluation	(63)	(63)
	(e) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets	(504)	(504)
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other		
2.6	Net cash from / (used in) investing activities	(570)	(570)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other		
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,361	1,361
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(790)	(790)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(570)	(570)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1	1

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1	1,361
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1	1,361

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	45
6.2	Aggregate amount of payments to related parties and their associates included in item 2	24

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

More information concerning the breakdown of the above payments to directors and their related parties can be found within the accompanying Quarterly Activities Report.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(790)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(63)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(853)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions: 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes.		

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

The Company has implemented the following capital initiatives subsequent to the 31 March 2024 quarter in order to enable it to continue its operations:

- (a) On 15 April 2024, the Company completed a Security Purchase Plan (SPP), raising \$463,500, before costs; and
- (b) On 24 April 2024, the Company entered into a trading halt for the purposes of undertaking a capital raising. Moreover, on 26 April 2024, the Company entered into voluntary suspension until 1 May 2024, seeking until prior to the market commencement of the voluntary suspension to finalise the capital raising. As at the date of this announcement, the Company has received binding commitments from sophisticated investors. Settlement of these commitments is set to occur shortly after 1 May 2024, when the bids have closed. Full details of the capital raising, including terms of the raising, will be made on 1 May 2024.

The Company is of the view that the above capital initiatives will enable its operations to continue for the foreseeable future.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, refer to the Company's response provided under item 8.8.2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **30 April 2024**

Authorised by: **The Board of Lithium Universe Limited**

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.