

7 November 2024

SUCCESSFUL COMPLETION OF TRANCHE 1 SHARE PLACEMENT

Highlights

- Successful settlement of Tranche 1 of the share placement to sophisticated and professional investors, raising \$1.94 million
- Entitlement Offer to open to shareholders on 11 November 2024
- Tranche 2 of the Placement (subject to shareholder approval) is anticipated to be completed on or around 9 December 2024, 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 first tranche of its share placement to sophisticated and professional investors (**Tranche 1**).

Tranche 1 under the Company's Placement comprised of 161,791,667 fully paid ordinary shares (**Shares**), which have been issued today under the Company's existing capacities under Listing Rules 7.1 (15% capacity) and 7.1A (10% capacity). The Shares were issued at a price of A\$0.012 per share, raising A\$1,941,500. In addition, subject to shareholder approval, the Tranche 1 investors will be entitled to one new option for every share subscribed to, with an expiry date of 12 January 2026 and an exercise price of \$0.03 (**Options**).

As detailed within the Announcement, the Company advised that it would be conducting an additional placement to sophisticated and professional investors, which will be subject to shareholder approval (**Tranche 2**), as well as a pro-rata 1 for 10 non-renounceable entitlement offer (**Entitlement Offer**). Investors under the Tranche 2 placement and Entitlement Offer will also receive options on the same term as the Tranche 1 investors.

Tranche 2 Placement

The Tranche 2 placement comprises of 16,666,667 shares, with the issue of such shares being subject to shareholder approval. The Company will seek shareholder approval at an upcoming general meeting, which is scheduled to be held on or around Monday, 9 December 2024.

Entitlement Offer

The Entitlement Offer will open on Monday, 11 November 2024 and has been made under a transaction-specific prospectus that was lodged with ASIC and ASX on 1 November 2024.

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.

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Authorisation

Authorised by the 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 (ASX:LU7)

Lithium Universe is dedicated to closing the 'Lithium Conversion Gap' in North America by developing a mine-to-battery-grade lithium carbonate strategy in Québec, Canada. Our mission is to support the supply chain needs of original equipment manufacturers (OEMs), particularly in the automotive sector, by converting spodumene supply into lithium chemicals for EV battery plants North America.

Our business model focuses on converting spodumene supplies under "take or pay" agreements with OEMs. These agreements include protective pricing mechanisms, such as floor and ceiling prices, to ensure stable margins and mitigate market volatility. This approach guarantees our LU7 refinery's payback while providing OEMs with a reliable and sustainable supply of lithium chemicals.

THE LITHIUM CONVERSION GAP

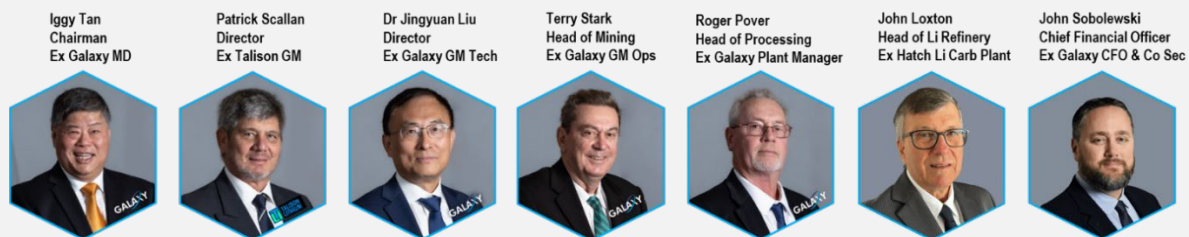
North America anticipates a surge in battery manufacturing, with over 20 major manufacturers planning to deploy an estimated 1,000GW of battery capacity. The Company estimates that 850,000t of LCE per annum will be required to satisfy demand in North America by 2028.

Spodumene concentrate needs to be converted to battery-grade lithium carbonate or hydroxide to be used in the production of cathode materials for lithium batteries. Currently, there are no operational converters in North America and the Company estimates only 100,000t of LCE hard rock converters are slated for construction in the region by 2028. The region seeks to decrease dependence on Chinese lithium converters, aligning with both commercial and national security goals to onshore the lithium battery supply chain in North America.



PROVEN LITHIUM EXPERTISE

The Company is comprised of lithium industry leaders known as the 'Lithium Dream Team', who are known for rapidly developing and operating hard rock lithium extraction and downstream operations across Australia and China. The Company's Chairman, Iggy Tan, is considered a pioneer in the modern lithium industry; spearheading Galaxy Resources, Iggy Tan built the first large-scale vertically integrated mine-to-refinery project including the 1 million tpa Mt Cattlin Spodumene Project and the downstream 17,000 tpa Jiangsu Lithium Carbonate Refinery. Patrick Scallan, Director, is a seasoned veteran of the lithium industry with over 25 years of managing the world-class Greenbushes Mine including production expansion from 200ktpa to 1.4mtpa during his tenure. Dr Jingyuan Liu is a world-leading technical expert in downstream lithium processing having consulted for over 25 different refinery operations over the world having previously managed the construction and commissioning of the Jiangsu Lithium Refinery for Galaxy.



Mr Terry Stark, who previously served as the General Manager of Operations for both Mt Cattlin and James Bay projects; Mr Roger Pover, with extensive experience as Plant Manager at Greenbushes and Mt Cattlin. John Loxton, who was involved in the construction of Jiangsu Lithium Carbonate Plant for Hatch Engineering and John Sobolewski, former CFO and Co Sec of Galaxy Resources, assumes the role of Chief Financial Officer at Lithium Universe.

PROVEN LITHIUM TECHNOLOGY

The Jiangsu Lithium Carbonate Plant, initially designed to produce 17,000 tpa of battery-grade lithium carbonate, has set a global benchmark for lithium refineries by incorporating advanced Western continuous process control techniques. The plant has surpassed its design capacity, now producing 20,000 tpa of high-quality battery-grade lithium carbonate. Remarkably, it achieved steady-state quality within two years of groundbreaking. Building on this success, Lithium Universe plans to replicate the Jiangsu plant's design, utilizing the same suppliers, equipment, and engineering firm to mitigate risks. Hatch Limited, the engineering company behind the original Jiangsu plant, has been contracted to conduct the Definitive Feasibility Study (DFS) for the Company's Bécancour Lithium Refinery.

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