Lithium Universe LIMITED
Building a Lithium Future

ASX ANNOUNCEMENT AND MEDIA RELEASE

12 February 2025

LU7 ANNOUNCES STRATEGIC PARTNERSHIP WITH POLYECHNIQUE MONTRÉAL

Highlights

- Collaboration in lithium processing with renowned local University
- Build local Canadian expertise in battery materials
- Enhance education, training, and research in critical mineral industry in Canada
- Drive innovation in engineering solutions for sustainability
- Promote student and faculty practical experience in lithium industry
- Support the onshoring of the lithium battery supply chain in Canada

Lithium Universe Limited (referred to as "Lithium Universe" or the "Company," ASX: "LU7") is pleased to announce the signing of a Memorandum of Understanding (MOU) with La Corporation de l'École Polytechnique de Montréal (Polytechnique Montréal). Lithium Universe Limited and Polytechnique Montréal have entered into a strategic partnership aimed at advancing lithium processing technologies and strengthening the local supply chain for critical battery materials in Canada. The collaboration, outlined in a Memorandum of Understanding, seeks to enhance education, research, and innovation in areas of mutual interest, with a primary focus on building Canadian expertise in the lithium battery sector.

About Polytechnique Montréal

Polytechnique Montréal is one of Canada's leading engineering schools, renowned for its research and innovation in applied sciences and technology. Located in Montréal, Quebec, it is affiliated with the Université de Montréal and serves as a hub for multidisciplinary research and development. Polytechnique's commitment to addressing global challenges, including sustainability and energy transition, aligns closely with LU7's mission to support the advancement of critical materials for clean energy. With a focus on academic excellence and technological innovation, Polytechnique provides a dynamic environment for students, researchers, and industry partners to collaborate and drive impactful solutions.

Key Objectives of the Partnership

The primary aim of the partnership is to enhance local expertise and innovation in Canada. This involves developing and strengthening capabilities in lithium processing through various initiatives such as joint research, innovation projects, and educational programs. Specifically, the focus will be on building local expertise in lithium processing tailored for the battery industry and conducting research to innovate in lithium processing technologies.

Another crucial objective is education and talent development. The partnership seeks to foster educational growth by offering numerous opportunities including internships, fellowships, co-ops, and joint academic projects. This effort is geared towards supporting diversity, encouraging entrepreneurship, and incubating start-ups within the lithium battery sector.

Furthermore, strategic educational partnerships will be established to facilitate collaboration in the development and delivery of postgraduate and short courses. These partnerships will also encompass student placements and co-developed research projects, enhancing the educational landscape and practical experience in the field.

Lastly, the partnership underscores the importance of sustainability and commercialization. It aims to drive sustainable practices within the industry while also supporting the commercialization of new technologies. This initiative will help bolster Canada's role in the global energy transition by turning innovative research into market-ready solutions.

This partnership is set to last for an initial term of five years, with the possibility for further collaboration through additional project agreements.

Lithium Universe Chairman, Iggy Tan said, *"It is a privilege to partner with this prestigious university as we ignite innovation and cultivate a thriving lithium battery industry in Canada. Together, we are committed to educational excellence and sustainable industry growth, shaping a future where Canadian expertise leads the global stage."*

Polytechnique Director of the Office of Partnerships and Research Infrastructure, Augustin Brais said, *"We are enthusiastic about this new, synergetic and innovative partnership that will enhance our educational and research mission towards a greener and more sustainable societal electrical energy future. "*

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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

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 Li_2CO_3.