

3 December 2024

## LU7 CLOSES ITS NON-RENOUNCEABLE ENTITLEMENT OFFER

Lithium Universe Limited (referred to as "Lithium Universe" or the "Company," ASX: "LU7") is pleased to announce the results of its pro rata non-renounceable entitlement offer (**Entitlement Offer**), as first announced by the Company on 30 October 2024. Eligible shareholders who applied for their entitlements in full were also able to apply under a shortfall facility for any additional New Shares offered under the Entitlement Offer which were not validly applied for by other shareholders under their respective entitlements (**Shortfall Offer**). Additionally, the Board has permitted for investors who either did not participate, or were ineligible to participate for the Entitlement Offer, to apply for New Shares under the Shortfall Offer.

A total of \$163,293 was raised, including of \$51,612 (before costs) from Entitlement Offer and \$111,681 from the Shortfall Offer.

As outlined in the Company's prospectus lodged on 1 November 2024 (**Prospectus**) and as permitted under ASX Listing Rule 7.2 exception 3, the Directors reserve the right to place the remaining 68,284,195 New Shares not taken up under the Entitlement Offer (**Shortfall Shares**) within 3 months from the closing date of the Entitlement Offer.

### Timetable

New Shares under the Entitlement Offer are expected to be issued on Friday, 6 December 2024 and commence trading on a normal settlement basis on Monday, 9 December 2024.

Below is a timetable concerning the allotment of the New Shares issued under Entitlement Offer:

Action	Time/Date
Securities quoted on a deferred settlement basis	<b>Monday, 2 December 2024</b>
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities	<b>Friday, 6 December 2024</b>
Quotation of Securities issued under the Offer	<b>Monday, 9 December 2024</b>

The Board would like to express its appreciation to participating shareholders for their ongoing support to the Company.

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Authorised for release by Iggy Tan, Executive 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<sub>2</sub>CO<sub>3</sub>.