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SPODUMENE SUPPLY DISCUSSIONS FOR BÉCANCOUR LITHIUM REFINERY

Highlights

- Discussions with multiple spodumene concentrate producers—both operational and near-term developers
- Substantial benefits (transport costs and tariffs) to supplying local converter
- Supply estimated to commence around 2028
- Targeting 140,000 tpa SC6 spodumene supply once ramped up
- LU7 intends to purchase spodumene ore at benchmark prices from the market
- Targeting minimum supply of 10 years for project finance

Lithium Universe Limited (“Lithium Universe”, “LU7” or the “Company”) is pleased to provide an update of its project development since the launch of the Bécancour Lithium Refinery Definitive Feasibility Study in February 2025. The Board and management continue to advance the project by attempting to secure spodumene feedstock supply for its Bécancour Lithium Refinery.

The Company, as stated previously, have been in discussions with multiple spodumene concentrate producers—both operational and near-term developers—regarding long-term feedstock supply agreements for the Bécancour Lithium Refinery. In these discussions, these parties recognise a real benefit in potentially supplying their spodumene product to a local lithium converter as opposed to shipping and selling their spodumene to Chinese operations for conversion. The spodumene transport costs could be as high as US\$100 per dmt which represents US\$800-900 per tonne of finished lithium carbonate product. If the final lithium carbonate must be shipped back to North America that adds another approximately US\$200 per tonne of final product. Today, Canada has an import tariff of 25% on all Chinese lithium chemicals so the local conversion is an overriding advantage.

In these discussions, the Company is targeting a non-binding MoU for the full supply of 140,000 tonnes per annum for SC6 grade spodumene material. The target tonnes will proportionally increase if the grade is less than 6% LiO₂. The supply agreement could be converted to a definitive agreement when the refinery becomes funded, and construction commences. Ideally, LU7 is targeting a spodumene feed supply to be at least 10 years

and rolling 5 years, to give security of supply for project financing. In these discussions, the Company is targeting supply commencing around 2028 at approximately 56,000 tonnes per year. The required supply tonnage will increase to 98,000 tonnes in 2029 and reach full capacity at 140,000 tonnes per annum from 2030 onward. The spodumene supply is targeted to be delivered to the Bécancour Lithium Refinery storage shed on site. Whilst spodumene supply could be from anywhere in the North Atlantic region (including Brazil and Africa), a strategic domestic Canadian feedstock source would mitigate the Company's risks and logistical challenges of overseas shipments and foreign processing. It is proposed that the spodumene concentrate will be refined into approximately 18,270 tonnes per annum of battery-grade lithium carbonate (as per DFS), supporting the expansion of Canada's electric vehicle (EV) and energy storage industries.

LU7 intends to purchase spodumene ore at benchmark prices from the market, and LU7 will retain full ownership of the resulting lithium carbonate, with the right to sell it either to the open market at benchmark prices or directly to an OEM offtaker. To clarify, the Company is not searching for a tolling arrangement.

Executive Chairman Iggy Tan said *"There are several interested potential spodumene suppliers that could meet the 2028 timeframe and discussions are ongoing. There is real interest in the market. The Company will continue to keep the market informed concerning progress of these discussions and negotiations. Once we can secure feedstock supply for the refinery the focus will shift to getting a strategic OEM on board the project in exchange for the valuable battery grade lithium carbonate offtake"*.

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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/>

For more information, please contact:

Alex Hanly

Chief Executive Officer
Lithium Universe Limited
Email: info@lithiumuniverse.com

Iggy Tan

Chairman
Lithium Universe Limited
Email: info@lithiumuniverse.com

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 Definitive Feasibility Study (DFS) 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.