

Lithium Universe Ltd. Launches Share Purchase Plan

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Melbourne, Mar 14, 2024 - [Lithium Universe Limited](#) (ASX:LU7) is delighted to announce 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.

Highlights

- 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 this announcement
- Funds applied to engineering studies and working capital requirements
- Eligible shareholders to take advantage of a unique business model
- Focused on lithium conversion for multinational players together with the continued exploration of suite of lithium and rare earth assets
- Closing the lithium downstream conversion gap in North America
- Option agreement to acquire an industrial site in Becancour, Quebec
- Site has capacity for three trains with a total of 48,000 tpa LCE

Proceeds from the SPP will help advance the Company's Quebec 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.

Presently, approximately 900 gigawatts (GW) of cathode/battery projects are under consideration for the North American continent, featuring prominent players such as Tesla, LG Energy, Northvolt, POSCO, Ford, GM, and Toyota, among others. This translates to a demand for 800,000 tons per annum (tpa) of lithium chemicals.

North America lacks operational lithium converting refineries, with only approximately 100,000 tpa of lithium chemicals in planned capacity. Recognizing this lithium processing gap, LU7 is poised to address this need. The Company's unique QLPH strategy focuses on the opportunity to convert spodumene offtake for multinational players, facilitating the conversion process closer to their supply chains in North America, rather than solely relying on China. It is also envisaged that any run of mine ore generated by the Company's mineral assets in Canada would form part of the spodumene mix feeding the QLPH in the future.

Mr. Iggy Tan, Chairman of Lithium Universe said "The Company is looking to raise working capital and reward previous Mogul Games shareholders and new shareholders for their continual support by pricing the SPP at the price of the Lithium Universe IPO completed in August 2023 (via a re-compliance listing). Despite the decline in lithium prices affecting numerous industry players, Lithium Universe is full steam ahead. We view the current short-term dip in lithium prices as an advantageous window to finalize feasibility studies for the QLPH before the onset of the next cycle. These moments present tangible opportunities for our organization and we invite current shareholders to position themselves for the next lithium cycle. I look forward to achieving several significant milestones in 2024 for the QLPH strategy. We are well advanced on the key engineering studies which will form the basis for the Company moving towards funding, construction and development".

Share Purchase Plan Details

The SPP will enable existing shareholders who are recorded on the Company's share register at close of market on 12 March 2024 (Record Date), with a registered address in Australia or New Zealand to participate (Eligible Shareholder). Eligible Shareholders will be permitted to purchase up to \$A30,000 ordinary shares in the Company (subject to any scale back), without incurring brokerage or transaction costs. All shares issued under the SPP will rank equally with existing ordinary shares of the Company.

The SPP is being undertaken under ASX Listing Rule 7.2, exception 5 and as such, the issue will not take up any of the Company's placement capacity and will not require shareholder approval.

New shares issued under the SPP will be 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 this announcement.

The Company is seeking to raise a total of \$3 million under the SPP. The Company may, in its absolute discretion, increase the size of the SPP offer (provided that the number of shares issued under the SPP does not exceed 30% of the number of shares currently on issue) or undertake a scale back to the extent and in the manner it sees fit. If a scale back is undertaken, applications will be scaled back having regard to the pro rata shareholdings of Eligible Shareholders as at the Record Date. However, the Company may also, where appropriate, scale back the number of New Shares to be issued at its absolute discretion.

Further details in relation to the SPP, including the SPP terms and conditions, are set out in the Company's prospectus, dated 13 March 2024, which is available to download from the Company's ASX announcements platform (googlechartASX:LU7).

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 Becancour, Quebec, 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 Quebec, 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 Becancour, Canada; and
- meet the working capital requirements of the Company.

To view the prospectus, please visit:
<https://www.abnnewswire.net/Ink/JA140ML6>

About Lithium Universe Ltd

Lithium Universe Ltd (ASX:LU7) (OTCMKTS:ESMAF), headed by industry trail blazer, Iggy Tan, and the Lithium Universe team has a proven track record of fast-tracking lithium projects, demonstrated by the successful development of the Mt Cattlin spodumene project for Galaxy Resources Limited.

Instead of exploring for the sake of exploration, Lithium Universe's mission is to quickly obtain a resource and construct a spodumene-producing mine in Quebec, Canada. Unlike many other Lithium exploration companies, Lithium Universe possesses the essential expertise and skills to develop and construct profitable projects.

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