



Lithium Universe
LIMITED

(formerly Mogul Games Group Ltd)

ABN 22 148 878 782

Consolidated Interim Financial Report

FOR THE HALF-YEAR ENDED 30 JUNE 2024

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Directors' Report

The Directors of Lithium Universe Limited (“Lithium Universe” or “the Company”) present their report together with the consolidated financial statements for the six months ended 30 June 2024 (“Half-Year 2024”).

Directors

The names of the Company’s Directors in office during the 2024-Half Year and until the date of this report are as below:

- Mr Ignatius Kim-Seng Tan (Non-Executive Chairperson to 25 April 2024, Executive Chairperson from 26 April 2024)
- Mr Gernot Abl (Executive Director)
- Mr Fadi Diab (Non-Executive Director) (resigned 12 July 2024)
- Mr Jingyuan Liu (Non-Executive Director)
- Mr Patrick Scallan (Non-Executive Director)

Joint Company Secretaries

The names of the company secretaries in office at any time during, or since the end of the 2024-Half Year are as below:

- Mr Kurt Laney
- Mr Vincent Fayad

Chief Executive Officer

Mr Alexander Hanly served as the Company’s Chief Executive Officer (CEO) during the 2024-Half Year and has continued to hold this position.

Chief Financial Officer

On 1 February 2024, Mr John Sobolewski was appointed as the Company’s Chief Financial Officer (CFO). With Mr Sobolewski’s appointment, Messrs Vincent Fayad and Kurt Laney resigned as the Company’s CFO’s, however remained as the Company’s Joint Company Secretaries.

Principal Activities and Significant Change in the Nature of Activities

Following on from the Company’s successful relisting under Chapters 1 and 2 of the ASX Listing Rules, the principal activities of the Company changed from a gaming and esports developer to a mineral exploration business. Specifically, the Company’s main objectives upon its re-listing to the ASX on 14 August 2023 were to:

- focus on the discovery of a lithium and/or rare earths deposit within its highly prospective suite of Canadian and Australian projects - with its flagship “Apollo Project” being a priority for accelerated exploration;
- to pursue other potential acquisitions to complement the Company’s existing exploration project portfolio; and
- over a longer term, to build a lithium concentrator and lithium refinery facility in Canada, with the goal of providing critical materials for batteries in the North American market (the Québec Lithium Processing Hub (QLPH) strategy).

There were no significant changes in the nature of the Group’s principal activities during the 2024 Half-Year period.

Review of Results and Operations

The consolidated loss of the Group for the 2024 Half-Year after providing for income tax amounted to \$6,955,978 (2023 Half-Year: loss of \$1,447,442).

Objectives

The Company’s objective is to increase shareholder wealth through its vertical integration lithium processing model. Under this model, the Company is seeking to produce lithium carbonate from its lithium exploration projects in the James Bay region of Canada, with the goal of providing critical materials for batteries in the North American market.

Review of Operations and Activities Summary

During the 2024 Half-Year, the Company continued to make significant progress in respect to its Quebec Lithium Processing Hub Strategy (QLPH), which is planning to fill the notable lithium conversion gap within the North American market.

To achieve this, the Company has two sets of activities which it is currently progressing:

- conducting engineering studies in respect to the construction of a lithium refinery and concentrator, to be based in Quebec, Canada; and
- exploration of the Company's project portfolio for the purposes of providing a feedstock supply to the Company's lithium refinery and concentrator for conversion into a battery grade product.

During the 2024 Half-Year, the following developments were made in the Company's operations:

Québec Lithium Processing Hub Strategy

Background

China has established its presence across the lithium supply chain years ahead of the Western countries. The country has been securing its supply of raw lithium materials by acquiring numerous lithium mines around the globe as well as developing its domestic lithium resources. Additionally, China presently hosts nearly 60% of the world's lithium refining capacity for batteries, underscoring its predominant position in the lithium supply chain.

Western countries are now wanting to control their domestic lithium processing output and have implemented policies to support the expansion of their lithium refining capacities. However, there have been delays in lithium project construction, which, coupled with a scarcity of experienced explorers, has resulted in the industry's inability to meet the rising demand of lithium related products.

As a result of this gap in the lithium market, the Company has formulated a vision to develop a mine-to-battery-grade lithium carbonate strategy in Québec, Canada, otherwise referred to as the "Quebec Lithium Processing Hub Strategy" (**QLPH**).

The QLPH seeks to adopt a vertically integrated strategy, which comprises of a multi-purpose independent concentrator (QLPH Concentrator) with a processing capacity of 1 million metric tons per annum (Mtpa) to supply a battery-grade lithium carbonate refinery (QLPH Lithium Carbonate Refinery) capable of producing 16,000 tons per annum (tpa). The QLPH concentrator and lithium carbonate plant are aimed to replicate the proven success of other operations - such as the Mt Cattlin spodumene plant and Jiangsu lithium carbonate plant.

The Company's strategy has involved assembling a seasoned team of lithium experts renowned for rapidly delivering successful projects, which is referred to as the 'Lithium Dream Team'. The team, headed by Mr Ignatius (Iggy) Tan, boasts extensive expertise in both hard rock lithium extraction and downstream operations. Additionally, the Company has engaged highly qualified engineering firms for the purposes of completing the engineering studies relating to the QLPH Concentrator and QLPH Lithium Carbonate Refinery, with Primero Group and Hatch Pty Ltd respectively engaged to complete such studies.

Lithium Refinery Development

During the 2024 Half-Year, Lithium Universe progressed its design and engineering studies for a 16,000 tonnes per annum (tpa) lithium carbonate refinery. This facility is intended to play a key role in closing the lithium conversion gap in North America by processing spodumene concentrate into battery-grade lithium carbonate.

- **Process flow sheets**

In June 2024, Hatch Pty Ltd (**Hatch**) provided a list of the critical elements that are essential in completion of the definitive feasibility study (DFS) for the lithium refinery project.

Initial engineering assessments conducted by Hatch were focused on plant capacity optimisation, cost estimates and assessing local infrastructure for supporting the refinery's construction and operation. A preliminary 3D model and plot plan layout was developed, providing a comprehensive visual and spatial understanding of the refinery's design. This model provides a visual representation of the placement of equipment and infrastructure within the lithium refinery, ensuring efficient space utilisation and facilitating future modifications (if necessary).

In addition, procurement lists were formalised in respect to the materials that will be required in construction of the refinery. Hatch advanced this process strategically during the 2024 Half-Year, with a focus on sourcing major equipment from the same suppliers as those used for the Jiangsu lithium carbonate plant. Once a list of preferred suppliers has been identified, Hatch will then progress to conduct negotiations in order to secure firm pricing, helping the Company to control costs and mitigate financial risks associated with the refinery build.

- **Lot 22, Bécancour Waterfront Industrial Park Acquisition**

On 24 February 2024, the Company announced that it had executed an option agreement to acquire a commercial property located within the Bécancour Waterfront Industrial Park (**BWIP**), located between Montreal and Quebec City (**Lot 22**).

The BWIP was the Company's preferred site for its 16,000 tpa lithium carbonate refinery, with Hatch Ltd having been tasked with undertaking an engineering study for the project that included analysis for potential sites to host the refinery plant.

The key terms of the option agreement, which was entered into with the Société du parc industriel et portuaire de Bécancour (**SPIPB**), was as follows:

- subject to the Company's shareholder approval;
- expected purchase price of \$CAD 12.6 million;
- option term of 36 months from the date of entering into the option agreement; and
- option fees of \$CAD 63,135 per month, for a period of 30 months will be payable and commencing from February 2025.

- **Bécancour Green Energy Initiatives**

During the 2024 Half-Year, Lithium Universe conducted detailed environmental studies as part of its broader environmental strategy to implement sustainable practices associated with its lithium refinery's design and operation. The studies included the following:

- Water Management and Recycling: due to the water-intensive nature of lithium processing, the Company focused on incorporating water recycling systems within the refinery design to reduce freshwater consumption and minimise waste discharge into surrounding water bodies.
- Emission Controls and Energy Efficiency: focused on reducing greenhouse gas emissions and energy consumption through the use of hydroelectric power, a renewable energy source readily available in Québec, to power the refinery.
- Waste Management: The Company explored methods to manage and repurpose waste materials from the refinery process. Notably, for by-products – such as silica, which is produced from spodumene processing, may be used in other industrial applications, reducing overall waste and contributing to a circular economy model.

- **Bécancour Biological Environmental Study**

In June 2024, the Company conducted detailed environmental studies to evaluate the potential effects on local ecosystems, water sources and biodiversity associated with the Company's proposed lithium refinery in Bécancour.

Two comprehensive Environmental Impact Assessments (EIA) were initiated by the Company, which are mandatory under Québec's environmental regulations. Such studies were conducted for the presence of flora and fauna (**Flora and Fauna Survey**) at Lot 22, as well as in respect to the wetlands (**Wetlands Survey**).

The studies found:

- Flora and Fauna Survey: no presence of the short-eared owl, Chimney Swifts, salamanders or the least bittern bird, indicating no further surveys are necessary for these species.
- Wetland Survey: are likely of low ecological value, characterised by agricultural ditches and the presence of the invasive species Phragmites Australis. Wetland surveys continued through to July 2024.

Overall, the results obtained from the Flora and Fauna Survey and the Wetlands Survey were in line with the Company's expectations.

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Lithium Concentrator Study

Primero Group (**Primero**) was selected in September 2023 to provide engineering, procurement and construction (EPC) expertise to develop a design for a multi-purpose stand-alone concentrator (Concentrator Engineering Study).

During the 2024 Half-Year, the Company progressed the design and engineering studies associated with its lithium concentrator, with the following milestones having been achieved:

- **Flow Sheet and Procurement**

Following on from Primero's work completed in November 2023, the finalised flow sheet design for a four-stage crushing process was provided in respect to the Concentrator Engineering Study.

The crushing design selected will generate crushed ore ranging from 0.85mm to 6mm in size. For material that is crushed smaller than 0.85mm, such material will undergo processing in a dedicated flotation unit. The spodumene recovered from this process will then undergo drying and be blended with the final spodumene concentrate.

Primero also continued to work on datasheets for the purposes of sourcing materials that will be required in construction of the concentrator. These datasheets will serve to gather pricing details from vendors, facilitating the concentrator procurement process.

Lithium Metallurgical Test Work

In February 2024, the Company undertook metallurgical testing on various sources of spodumene to determine the efficiency of the conversion process to battery-grade lithium carbonate. The purpose of undertaking this test work was to provide Hatch with further information in respect to the design of its proposed 16,000 metric tonne lithium refinery so as to ensure that it will have robust capabilities to process spodumene feedstock from any part of the world. Samples of spodumene for testing were sourced from Australia and South America, featuring various lithium grades.

The results from the metallurgical test work program were provided in May 2024, which showed high recovery rates and purity levels that not only aligned with, but in some cases exceeded, industry requirements for battery-grade lithium carbonate (99.5% purity and above). Test work indicated favourable spodumene characteristics in terms of particle size distribution, mineral liberation, and chemical composition, which are critical factors in efficient lithium extraction. These results also revealed that the Bécancour Lithium Refinery design can handle all types of spodumene concentrate, which is considered to be key in de-risking the lithium refinery's planned production process.

Based on initial test results obtained from the metallurgical test work, Lithium Universe is considering the construction of a pilot plant to validate its lithium carbonate production process on a smaller scale. This facility will serve as a proof of concept for the larger refinery, allowing for fine-tuning of operational parameters before scaling up to full production.

Exploration Assets – Apollo Lithium Project

Background

The Apollo Project spans 24,000 hectares in a highly prospective area of the James Bay region. The project is located within a greenstone belt that is structurally favourable for lithium exploration, with at least 17 known pegmatite occurrences already identified. These occurrences are associated with a medium-low gravity signature, indicating potential spodumene mineralisation.

The James Bay region is recognised as one of the top global lithium districts, home to several significant lithium projects. Apollo's geological features compare favourably to nearby projects, such as Winsome Resources' Adina, known for its gravity-low signatures and lithium-bearing pegmatites. This gives Apollo the potential to yield a significant lithium resource.

The Apollo Project benefits from its proximity to key infrastructure in the James Bay region. The area has access to power, roads, and nearby mining projects, allowing for a cost-effective exploration program.

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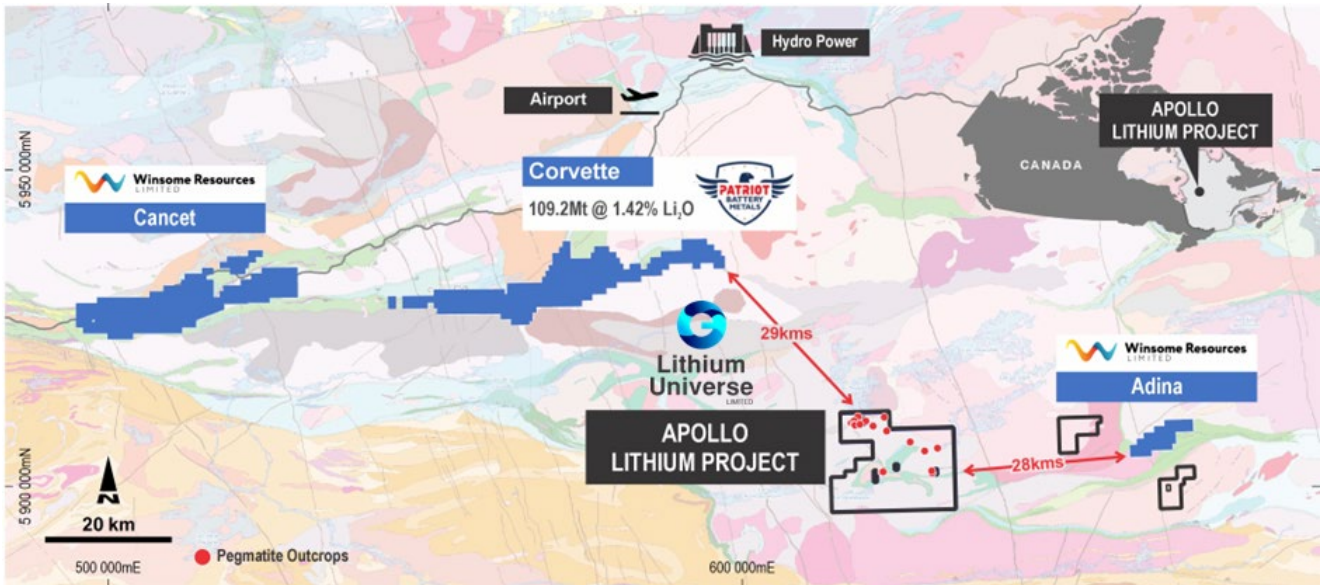


Figure 1. Apollo Lithium Project location and select neighbouring projects

In July 2023, the Company commenced an extensive work program at Apollo through a partnership with Laurentia Exploration Inc (**Laurentia**). This work program included a permitting and high-resolution airborne magnetic survey, as well as a 14-day, 5596 line Km Hi-Resolution Airborne Magnetic (AMAG) survey for the purposes of facilitating a comprehensive structural analysis of the project. A review of the structural geophysics at Apollo indicated the potential for Lithium–caesium–tantalum (**LCT**) pegmatitic dykes, with a major east-west trending fault corridor/shear feature extending to Winsome Resources Limited’s Adina Lithium project to the east.

Following from the Company’s July 2023 work program, the Company commenced a field mapping and sampling campaign in August 2023. This program was designed to concentrate on the 448 priority targets highlighted by AI-driven targeting from KorrAI Technologies for the purposes of refining the exploration scope. Based on the fieldwork results conducted at Apollo, this confirmed the likely appearance of a major east-west trending fault shear corridor feature, which was identified in the Company’s previous exploration work conducted at the project.

Future of the Apollo Project

The Apollo Project remains the Company’s long-term focus of becoming a potential source of feedstock for the Company’s vertically integrated QLPH strategy. With the project benefiting from its proximity to key infrastructure within the James Bay, region (power and roads), as well as its proximity to the Company’s proposed lithium refinery at Lot 22, any future project operations at Apollo will likely be a cost-effective exercise.

Adina Lithium Project

Background

The Adina South and Adina West Projects (together, the Adina Projects) comprise of 89 claims covering an area of approximately 45km² in the Eeyou Istchee Baie-James municipality (James Bay) and is approximately 350km to the east of Radisson, Québec. Regional magnetics show that the Cancel, Corvette, Adina and Apollo Lithium projects all sit within the greenstone belt of the La Grande sub-province.

The Company’s project is situated near Winsome Resources’ Adina Project, hosting the Adina and Jamar prospects. Winsome Resources has previously reported successful drilling results, with AD-22-005 yielding 107m at 1.34% Li₂O from 2.3m at their Adina Project. Notably, the Jamar Prospect remains open at depth and along strike, with an extension to the east and west likely by an additional 1km.

Future of the Adina Project

The Company recognised during the 2024 Half-Year a full provision for impairment for the Adina Project. The Company is currently assessing its next steps for the project.

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Margot Lake Lithium Project

Background

The Margot Lake Project consists of 32 claims covering approximately 19.8 km², located 170 km to the north of Red Lake, and within the Red Lake Mining District in north-west Ontario.

The Margot Lake Project is situated 16km southeast of Frontier Lithium's PAK Deposit which contains 9.9Mt at 2.0% Li₂O and 18km away from Frontier's Spark Deposit, which contains an indicated 18.8Mt at 1.52% Li₂O and an inferred resource of 29.7Mt at 1.34% Li₂O.

The Company's Margot Lake Project contains nine confirmed pegmatites and displays similar regional geology to major resources within the immediate area.

Future of the Margot Lake Project

The Company recognised during the 2024 Half-Year a full provision for impairment for the Margot Lake Project. The Company is currently assessing its next steps for the project.

Lefroy Lithium Project

Background

The Lefroy Lithium Project is located in the Eastern Goldfields of Western Australia that is home to some of the largest operating mines and exploration discoveries over the past 100 years. The Lefroy Lithium Project consists of exploration licences E15/1877 and E15/1876. E15/1877 covers an underexplored area of 7 blocks (approximately 21km²) located approximately 20km southeast of Kambalda. E15/1876 also covers an underexplored area of 7 blocks (approximately 21km²) and is located approximately 30km southeast of Kambalda (approximately 10km southeast of E15/1877).

The Lefroy Project is an early-stage project in a poorly understood part of the Eastern Goldfields. Available data for the region has indicated the potential for further discoveries of lithium and gold in the Norseman-Wiluna greenstone belt.

Future of the Lefroy Project

The Company recognised during the 2024 Half-Year a full provision for impairment for the Lefroy Project. The Company is currently assessing its next steps for the project.

Voyager Rare Earths Project

Background

The Voyager Project consists of two exploration licenses, EL32/2022 and EL40/2022, located in northern and eastern Tasmania respectively.

EL32/2022 covers an area of approximately 187km² towards the southeast of Launceston which has become home to one of the first Ionic Clay Rare Earth discovery in Tasmania. EL40/2022 covers an area of approximately 198km² approximately 30km inland from the town of Swansea on the east coast of Tasmania.

Future of the Voyager Project

The Company recognised during the 2024 Half-Year a full provision for impairment for the Voyager Project. The Company is currently assessing its next steps for the project.

Discontinued Operations – eSports Media and Software Business

During the 31 December 2023 financial year, the Company discontinued its activities in the esports and video games sectors (**Gaming Operations**). The Company's decision to discontinue its Gaming Operations followed its request to the ASX on 29 March 2023 to be placed into a voluntary suspension, as well the Company's subsequent acquisition of a portfolio of lithium and rare earth exploration projects located within Canada and Australia in August 2023.

Whilst the Gaming Operations ceased during the 2024 Half-Year, the Company's comparative information for the 2023 Half-Year reflected the following activities in respect to its discontinued operations:

- applications were filed to de-register several of the Company's wholly owned subsidiaries - being Game Geek Pte Ltd, SEA Esports Pte Ltd and Esports Mogul LLC. The Company's former Gaming Operations were undertaken by such subsidiaries; and

- Mogul Games Group (UK) Limited was sold to the Company's former director - Mr Christopher Bergstresser, for nil consideration.

Financial Results

Revenue

The Company derived interest income on its short-term interest-bearing deposits held during the Half-Year 2024.

Net expenses and impairment

The following points are noted in relation to expenses for the Half-Year 2024:

- > an impairment expense recognised against the Company's lithium and rare earth projects of \$2,571,109. The basis for the Company recognising an impairment expense has been further discussed in Note 6 below;
- > costs incurred for the engineering studies for the Quebec Lithium Processing Hub (QLPH) strategy of \$2,068,872;
- > administration expenses of \$572,331 at June 2024, which increased from \$21,661 at June 2023. The cause of the increase between the two periods was due the Company's operations having been significantly reduced between February 2023 to June 2023 while the Company was completing its Reverse Takeover (RTO)/relisting to change its business activity to a lithium explorer; and
- > share based payments to directors, key management personnel and other personnel of \$50,845;

The residual expenses of the Company amount to \$1,702,241 is comprised of general overheads in relation to the day to day running of the Company, including directors and key management personnel costs, as well as marketing costs.

Statement of financial position

During the 2024 Half-Year the following key items occurred:

- > cash increased from \$1,361,589 at 31 December 2023 to \$1,606,985 at 30 June 2024. This increase was due to the Company's capital raising initiatives which were completed during the 2024 Half-Year, being:
 - Share Purchase Plan, which raised \$463,500 (before costs) and was completed in April 2024; and
 - share placement, raising \$3,644,333 and was completed via two tranches in May 2024 and June 2024.
- > trade and other payables increased from \$113,241 at 31 December 2023 to \$881,058 at 30 June 2024, with the increase primarily related to:
 - amounts owing in respect to the Company's QLPH engineering studies; and
 - costs of raising capital under the Company's Tranche 2 share placement, which was completed on 28 June 2024.

The trade and other payables owing at 30 June 2024 have subsequently either been paid in full, or remain within their negotiated payment terms.

Cash Flow

The Half-Year cash flow for the 2024 Half-Year of the Group included:

- > an increase in exploration costs from \$nil in June 2023 to \$171,315 in June 2024. The causes for the increase to exploration costs during the 2024 Half-Year was due to:
 - residual costs incurred in respect to the Company's 2023 summer field work campaign conducted at the Apollo lithium project; and
 - director and management costs incurred in respect to time spent reviewing and collating the summer field work campaign at Apollo.
- > payments made for engineering costs incurred in respect to the Company's QLPH strategy of \$1,457,298; and

- > an increase in administrative costs from \$1,698,318 at June 2023 to \$1,960,053 at June 2024. The June 2024 Half Year administrative costs were largely comprised of payments for:
 - directors and key management personnel costs;
 - advertising and marketing costs; and
 - statutory costs incurred in relation to the compliance and listing requirements of the Company.

Corporate

Directors and Key Management

> Management Changes

John Sobolewski – Chief Financial Officer

On 1 February 2024, Mr John Sobolewski joined the Company as its Chief Financial Officer.

Mr Sobolewski is a Chartered Accountant and a graduate of the Australian Institute of Company Directors. His previous roles include Managing Director and CEO with Mintrex, CFO and Company Secretary with Mintrex, Galaxy Resources Limited and Vital Metals Limited, Financial Controller and Company Secretary with Croesus Mining NL and Group Accountant and Company Secretary with Titan Resources NL. During his time at Galaxy Resources Limited, Mr Sobolewski played a pivotal role during the feasibility, funding, construction, and operation phases of the Mt Cattlin Spodumene mine and Jiangsu Lithium Carbonate refinery.

Ignatius Tan – Executive Chair

On 26 April 2024, due to the increased workload associated with the Company's rapidly progressing QLPH strategy, Mr Ignatius Tan transitioned from Non-Executive Chairman to Executive Chairman. The terms of Mr Tan's employment with the Company, such as remuneration, did not change as a result of the change in his title.

> Performance Share Plan

On 14 June 2024, shareholders at the Company's annual general meeting approved the issuance of performance rights (**Rights**) to directors and key management personnel. The terms of the performance rights can be found in the Company's Notice of Meeting which was lodged to the ASX on 10 May 2024. The Company subsequently allotted the associated Rights to directors and key management personnel 12 July 2024.

The purpose of issuing the Rights is to align the interests of participants to that of shareholders and to retain/properly compensate participants.

Share Issue

> Share Purchase Plan (SPP)

In April 2024, the Company completed a Share Purchase Plan (SPP). Upon conclusion of the SPP, the Company issued 23,175,000 fully-paid ordinary shares at an issue price of \$0.02 per share, raising \$463,500 (before costs).

The funds received from the SPP were allocated by the Company for the purposes furthering its QLPH related engineering studies, exploration at the Apollo project and general working capital.

> Share Placement

On 30 April 2024, Lithium Universe announced that it had received binding commitments for 95,016,667 ordinary shares at an issue price of \$0.02 per share (**Tranche 1 Placement**). The total proceeds raised from the placement was \$1.90 million (before costs).

In conjunction with the Tranche 1 Placement, the Company also received binding commitments for a further 87,200,000 ordinary shares (\$1.74 million), which were subject to shareholder approval at the Company's annual general meeting held on 14 June 2024 (**Tranche 2 Placement**).

Proceeds received under both the Tranche 1 and Tranche 2 Placements are to be used by the Company in achieving its final engineering studies for the QLPH strategy.

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> **Listed Options**

As part of the Company's SPP and Share Placement initiatives, participants were to be issued with one listed option for every two fully paid ordinary shares subscribed for, subject to shareholder approval (**Options**).

On 14 June 2024 at the Company's annual general meeting, shareholders resolved to approve the issuance of the Options. On 12 July 2024, the Company proceeded to allot 98,870,834 options, which trade under the ASX code LU70.

The Options contain the following terms:

- an exercise price of \$0.03 per Option;
- expiry date of 18 months from issue (12 January 2026).

Events Subsequent to Balance Date

Since balance date, the following matters have arisen:

- > on 12 July 2024, following receipt of shareholder approval at its annual general meeting, the Company issued:
 - 98,870,834 listed options to participants under the Company's share purchase plan and share placements; and
 - 68,000,000 performance rights to directors and key management personnel.
- > on 12 July 2024, Mr Fadi Diab resigned as a director of the Company; and
- > achieved quotation on the Frankfurt Stock Exchange (FRA) and OTC Markets Group platform (OTC). By obtaining such listings, the Company's securities will be more readily accessible for trading by the European and North American markets.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Competent Persons Statement

The information in this report that relates to:

> **Canadian Lithium Projects**

The information in this report that relates to Exploration Results related to the Canadian Lithium Projects (Apollo, Adina and Margot Lake) are based on, and fairly represents, information and supporting documentation prepared by Mr. Hugues Gu erin Tremblay, Exploration Manager – Canada and President of Laurentia Exploration Inc and Mr. Justin Rivers, Head of Geology – Lithium Universe Ltd. Mr Tremblay (P.Geo) is duly registered with the Ordres des G eologues du Qu ebec (OGQ) as a geologist, member #1584, and a member of the Quebec Mineral Exploration Association (AEMO) and the Prospectors and Developers Association of Canada (PDAC). Mr. Tremblay has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person (CP) as defined in the JORC, 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and has read the definition of "qualified person" (QP) set out in National instrument 43-101 ("NI 43-101") and certify that by reason of education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, fulfills the requirements to be a "qualified person" for the purposes of NI 43-101'.

Mr. Rivers is a member of and Chartered Professional with the Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Rivers has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person (CP) as defined in the JORC, 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Both Mr. Tremblay and Mr. Rivers consent to the inclusion in this release of the matters based on the information in the form and context in which they appear.

> **Voyager Rare Earths Project**

The information in this report that relates to Exploration Results associated with the Voyager Rare Earths Project is based on information compiled by Mr Justin Rivers, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM Member). Mr Rivers is a full-time employee of Lithium Universe Limited and is eligible to participate under the Employee Securities Incentive Plan (ESOP) of the Company. Mr Rivers has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Rivers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

> **Lefroy Lithium Project**

The information in this report that relates to Exploration Results associated with the Lefroy Lithium Project is based on information compiled by Mr Justin Rivers, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM Member). Mr Rivers is a full-time employee of Lithium Universe Limited and is eligible to participate under the Employee Securities Incentive Plan (ESOP) of the Company. Mr Rivers has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Rivers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Auditor's Independence Declaration

The auditor's independence declaration for the Half-Year ended 30 June 2024 has been received and can be found on page 13 of the financial report.

This report is signed in accordance with a resolution of the Board of Directors.



Ignatius (Iggy) Tan
Executive Chairperson
13 September 2024

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Lithium Universe Limited for the half year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink, appearing to read "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read "C J Hume".

C J HUME
Partner

Sydney, NSW
Dated: 13 September 2024

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 30 June 2024

	Note	30 June 2024 \$	30 June 2023 \$
Continuing Operations			
Revenue	5(a)	9,420	26,798
Administration expenses	5(b)	(572,331)	(54,764)
Compliance & professional expenses		(89,571)	(1,257,602)
Depreciation expense		(635)	-
Employee benefits		(877,057)	(111,403)
Finance costs		-	(353)
Impairment of exploration and evaluation assets	7	(2,571,109)	-
Marketing & promotional		(406,535)	(29,019)
Plant engineering costs		(2,068,872)	-
Travel expenses		(328,262)	(18,108)
Realised Foreign Exchange (Loss) / Gain		(181)	(2,991)
Share-based compensation expense	13(b)	(50,845)	-
Loss from continuing operations before income tax		(6,955,978)	(1,447,442)
Income tax expense		-	-
Loss after income tax expense for the year		(6,955,978)	(1,447,442)
Other comprehensive income:			
Gain on the revaluation of property (at fair value)		832,498	-
Total comprehensive (loss) for the period		(6,123,480)	-
Loss attributable to:			
Members of Lithium Universe Limited		(6,123,480)	(1,447,442)
Non-controlling interest		-	-
		(6,123,480)	(1,447,442)
Total comprehensive loss attributable to:			
Members of Lithium Universe Limited		(6,123,480)	(1,447,442)
Non-controlling interest		-	-
		(6,123,480)	(1,447,442)
Loss per share from continuing operations, attributable to the owners of Lithium Universe Limited:			
Basic loss per share (cents)		(3.07)	(0.04)
Diluted loss per share (cents)		(3.07)	(0.04)

The accompanying notes form part of these Financial Statements.

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	30 June 2024 \$	31 December 2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,606,985	1,361,589
Trade and other receivables		91,849	205,110
Other current assets		29,105	274,293
TOTAL CURRENT ASSETS		1,727,939	1,840,992
NON-CURRENT ASSETS			
Right of use assets		11,690	23,380
Plant and equipment		2,365	-
Exploration, evaluation and development assets	7	5,219,899	7,481,680
Contract to acquire land	8	832,498	-
TOTAL NON-CURRENT ASSETS		6,066,452	7,505,060
TOTAL ASSETS		7,794,391	9,346,052
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	881,058	113,241
Other liabilities	9	427,427	490,222
Lease liabilities		11,690	11,689
TOTAL CURRENT LIABILITIES		1,320,175	615,152
NON-CURRENT LIABILITIES			
Lease liabilities		-	11,690
TOTAL NON-CURRENT LIABILITIES		-	11,690
TOTAL LIABILITIES		1,320,175	626,842
NET ASSETS		6,474,216	8,719,210
EQUITY			
Issued capital	12	59,799,131	55,971,490
Reserves	13	15,329,112	14,445,769
Non-controlling interest		(295,921)	(295,921)
Accumulated losses		(68,358,106)	(61,402,128)
TOTAL EQUITY		6,474,216	8,719,210

The accompanying notes form part of these Financial Statements.

Consolidated Statement of Cash Flows

For the Half-Year Ended 30 June 2024

	30 June 2024	30 June 2023
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Interest and other income received	9,420	26,798
Payments to suppliers, directors and employees	<u>(1,960,053)</u>	<u>(1,698,318)</u>
Net cash used in operating activities	<u>(1,950,633)</u>	<u>(1,671,520)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for exploration expenditure	(171,315)	-
Payments for plant and equipment	(3,000)	-
Payments for engineering studies	<u>(1,457,298)</u>	-
Net cash used in investing activities	<u>(1,631,613)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from placement (net of transaction costs)	<u>3,827,641</u>	-
Net cash provided by financing activities	<u>3,827,641</u>	-
Net (decrease)/increase in cash and cash equivalents held	245,395	(1,671,520)
Effect of movement in exchange rates on cash held	-	(2,991)
Cash and cash equivalents at beginning of year	<u>1,361,590</u>	<u>3,699,438</u>
Cash and cash equivalents at end of the Half-Year	<u>1,606,985</u>	<u>2,024,927</u>

The accompanying notes form part of these Financial Statements.

Consolidated Statement of Changes in Equity

For the Half-Year Ended 30 June 2024

	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 January 2024	55,971,490	14,445,769	(61,402,128)	(295,921)	8,719,210
Loss for the period attributable to members of the parent entity	-	-	(6,955,978)	-	(6,955,978)
Fair value through Other Comprehensive Income	-	832,498	-	-	832,498
Non-controlling interest	-	-	-	-	-
Total Comprehensive Income for the period	-	832,498	(6,955,978)	-	(6,123,480)
Share Purchase Plan (April 2024)	463,500	-	-	-	463,500
Share Placement (May 2024)	1,900,333	-	-	-	1,900,333
Share Placement (June 2024)	1,744,000	-	-	-	1,744,000
Share issue costs	(280,192)	-	-	-	(280,192)
Share based payments	-	50,845	-	-	50,845
Balance at 30 June 2024	59,799,131	15,329,112	(68,358,106)	(295,921)	6,474,216
Balance at 1 January 2022	47,228,310	12,163,709	(55,948,701)	(295,921)	3,147,397
Loss for the period attributable to members of the parent entity	-	-	(1,447,442)	-	(1,447,442)
Non-controlling interest	-	-	-	-	-
Share based payments allotment	18,863	-	-	-	18,863
Balance at 30 June 2023	47,247,173	12,163,709	(57,396,143)	(295,921)	1,718,818

The accompanying notes form part of these Financial Statements.

Condensed Notes to the Consolidated Financial Statements

For the Half-Year Ended 30 June 2024

1 CORPORATE INFORMATION

The financial report of Lithium Universe Limited (formerly Mogul Games Group Limited) (“**the Company**”) for the Half-Year ended 30 June 2024 was authorised for issue in accordance with a resolution of the Directors on 13 September 2024. The financial report comprises of the activities for the Company and its subsidiaries (together referred to as “**the Group**”), which is primarily involved in mineral exploration. The Company’s long-term goal is to employ a vertical integration model to provide critical materials for batteries in the North American market.

The Company is incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The consolidated annual financial statements of the Group as at and for the year ended 31 December 2023 are available upon request from the Company’s registered office at Suite 9, 295 Rokeby Road, Subiaco WA 6008, or <https://www.lithiumuniverse.com/>

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Half-Year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The 2024 Half-Year financial report should be read in conjunction with the Annual Financial Report of Lithium Universe Limited as at 31 December 2023. It is also recommended that the Half-Year financial report be considered together with any public announcements made by Lithium Universe Limited and its controlled entities during the Half-Year ended 30 June 2024 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of Preparation

The Half-Year consolidated financial report is a general-purpose financial report, which has been prepared in accordance with the requirement of the Corporations Act 2001 and Australian Accounting Standards, including AASB 134 “Interim Financial Reporting”. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standard ISA 34 “Interim Financial Reporting”. For the purpose of preparing the 2024 Half-Year financial report, the Half-Year has been treated as a discrete reporting period.

(b) Basis of consolidation

The Half-Year consolidated financial statements comprise the financial statements of Lithium Universe Limited and its controlled subsidiaries (the “**Group**”).

(c) New Accounting Standards and Interpretations

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding AASB134(16A)(a) interim reporting period, unless otherwise stated.

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(d) Going concern

As disclosed in the financial statements, the consolidated entity incurred a loss after tax of \$6,955,978 and had net cash outflows from operating and investing activities of \$1,950,633 and \$1,631,613 respectively for the half year ended 30 June 2024.

The ability of the consolidated entity to continue as a going concern is principally dependent upon raising additional capital or securing other forms of financing, as and when necessary to meet the levels of expenditure required for the

consolidated entity to continue to progress the exploration of the tenements in which it has an interest and to meet the consolidated entity's working capital requirements.

These factors indicate significant uncertainty as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that it is reasonably foreseeable that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- as at 30 June 2024 the consolidated entity had net current assets of \$407,764, which comprised of cash at bank of \$1,606,985;
- proven ability of the consolidated entity to raise the necessary funding as evidenced by the raising of \$4,107,833 in cash (before share issue transaction costs) from shares issued during the half year ended 30 June 2024;
- on 6 August 2024, the company announced it had been officially quoted on the Frankfurt Stock Exchange (FRA) allowing its securities to be readily accessed by European investors; and
- the consolidated entity has the ability to reduce exploration activities and other discretionary spending, subject to meeting the expenditure commitments.

Based on the above, the Directors are of the opinion that at the date of signature of the financial report there are reasonable and supportable grounds to believe that the consolidated entity will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of this financial report and has accordingly prepared the financial report on a going concern basis.

Should the consolidated entity be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the consolidated entity not be able to continue as a going concern.

3 FINANCIAL RISK MANAGEMENT

All aspects of the Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial report as at and for the year ended 31 December 2023.

4 SEGMENT INFORMATION

Identification of reportable segments

Operating Segments

Operating segments are reporting in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

An operating segment is a component of the Group that engage in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segment results are regularly reviewed by the Group's Board of Directors to make decisions about resources allocated to the segment and assess its performance and for which discrete financial information is available.

The operating segments are identified by the Board of Directors based on the type of exploration being conducted by the Group. Detailed financial information about each of these operating businesses is reported to the Board of Directors on at least a quarterly basis.

The Group operated in three operating segments being rare earth and lithium exploration industry in the geographical locations of Australia and Canada.

Types of products and services by reportable segment

(i) Rare Earth exploration

The Group is currently conducting exploration upon tenements considered prospective for rare earth minerals. No income has been derived from the recovery of rare earth minerals during the half year ended 30 June 2024 (2023: nil).

(ii) Lithium exploration

The Group is currently conducting exploration upon tenements considered prospective for lithium. No income has been derived from the recovery of lithium during the half year ended 30 June 2024 (2023: nil).

(ii) Unallocated

Corporate, including treasury, discontinued operations (from the former gaming operations of the Company) corporate and regularly expenses arising from operating the Company. Corporate assets, including cash and cash equivalents are reported in this segment.

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4 SEGMENT INFORMATION

(a) Segment Information 30 June 2024

	Rare Earth	Lithium	Unallocated	Total
	\$	\$	\$	\$
Six months ended 30 June 2024				
Revenue				
Other revenue	-	-	9,420	9,420
Total segment revenue	-	-	9,420	9,420
Segment result	(1,409,314)	(1,173,593)	(4,373,071)	(6,955,978)
(Loss) before income tax and non-controlling interests	(1,409,314)	(1,173,593)	(4,373,071)	(6,955,978)
Income tax expense	-	-	-	-
Net (loss) for the six months as Statement of Comprehensive Income	(1,409,314)	(1,173,593)	(4,373,071)	(6,955,978)
Assets and Liabilities				
Segment assets				
- Exploration Expenditure	-	5,219,899	-	5,219,899
	-	5,219,899	-	5,219,899
Unallocated assets				
- Right of use assets	-	-	11,690	11,690
- Cash and cash equivalents	-	-	1,606,985	1,606,985
- Property, plant and equipment	-	-	2,365	2,365
- Trade and other receivables	-	-	91,849	91,849
- Contract to acquire land	-	-	832,498	832,498
- Other assets	-	-	29,105	29,105
	-	-	2,574,492	2,574,492
Total assets as per the Statement of Financial Position	-	5,219,899	2,574,492	7,794,391
Segment and unallocated liabilities				
- Trade and other payables	-	-	881,058	881,058
- Lease liabilities	-	-	11,690	11,690
- Other liabilities	-	-	427,427	427,427
Total liabilities as per the Statement of Financial Position	-	-	1,320,175	1,320,175

4 SEGMENT INFORMATION

(b) Segment Information 30 June 2023

	Rare Earth	Lithium	Gaming	Unallocated	Total
	\$	\$	\$	\$	\$
Six months ended 30 June 2023					
Revenue					
Other revenue from external customers	-	-	-	26,798	26,798
Total segment revenue	-	-	-	26,798	26,798
Segment result	-	-	(33,103)	(1,414,339)	(1,447,442)
(Loss) before income tax and non-controlling interests	-	-	(33,103)	(1,414,339)	(1,447,442)
Other comprehensive income/(loss)	-	-	-	-	-
Net (loss) for the six months as Statement of Comprehensive Income	-	-	(33,103)	(1,414,339)	(1,447,442)
Assets and Liabilities					
Segment assets					
- Exploration Expenditure	-	-	-	-	-
	-	-	-	-	-
Unallocated assets					
- Cash and cash equivalents	-	-	-	2,024,927	2,024,927
- Trade and other receivables	-	-	-	70,250	70,250
	-	-	-	2,095,177	2,095,177
Total assets as per the Statement of Financial Position	-	-	-	2,095,177	2,095,177
Segment and unallocated liabilities					
- Trade and other payables	-	-	-	376,359	376,359
- Borrowings	-	-	-	-	-
Total liabilities as per the Statement of Financial Position	-	-	-	376,359	376,359

5 REVENUE, INCOME AND EXPENSES FROM CONTINUING OPERATIONS

	30 June 2024 \$	30 June 2023 \$
(a) Income		
Interest income	9,420	26,798
	9,420	26,798
(b) Administrative Expenses		
Accounting and auditing expenses	130,345	-
Administration expenses	243,926	54,764
Corporate listed expenses	198,060	-
	572,331	54,764

6 CASH AND CASH EQUIVALENTS

	30 June 2024 \$	31 December 2023 \$
CURRENT		
Cash at bank and in hand	1,606,985	1,361,589
	1,606,985	1,361,589

7 EXPLORATION, EVALUATION AND DEVELOPMENT ASSETS

	30 June 2024 \$	31 December 2023 \$
Exploration Expenditure (at cost)	7,791,008	7,481,680
Less: Impairment	(2,571,109)	-
	5,219,899	7,481,680

(a) Carrying amount of Exploration Expenditure

	30 June 2024 \$	31 December 2023 \$
Carrying amount at the beginning of the year	7,481,680	-
Add: Expenditure capitalised during the period	309,328	1,891,908
Add: Acquisitions made during the period – Partly and Wholly Owned	-	5,589,772
Less: Impairment recognised during the period	(2,571,109)	-
	5,219,899	7,481,680

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7 EXPLORATION, EVALUATION AND DEVELOPMENT ASSETS (continued)

(b) Discussion on impairment

At each reporting date the Company undertakes an assessment of the carrying amount of its exploration and evaluation assets. Where an indication of impairment exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, to the assets carrying value.

Included within the capitalised exploration costs for the 2024 Half-Year are the following impairment adjustments, which have been recognised in the current period:

(i) Lithium Projects (Adina, Margot Lake and Lefroy)

During the 30 June 2024 Half Year, the Company identified indicators of impairment on certain exploration and evaluation assets under AASB 6 *Exploration and Evaluation of Mineral Resources*. As a result of this review, a total impairment loss of \$1,161,795 was recognised at such time as a loss in relation to the Lithium Projects.

The basis for recognising an impairment adjustment for the Lithium Projects was due to the low prospectivity, based on the current exploration work conducted to date, coupled with issues concerning the projects (such as native title).

(ii) Rare Earth Projects (Voyager)

During the 30 June 2024 Half Year, the Company identified indicators of impairment on certain exploration and evaluation assets under AASB 6 *Exploration and Evaluation of Mineral Resources*. As a result of this review, a total impairment loss of \$1,409,314 was recognised at such time as a loss in relation to the Lithium Projects.

The basis for recognising an impairment adjustment for the Lithium Projects was due to the low prospectivity, based on the current exploration work conducted to date, coupled with issues concerning the projects (such as native title).

(iii) Other impairment assessments

The Board has formed the view that other key capitalised exploration asset namely, the Apollo Lithium project, does not require impairment and continue to actively pursue this exploration asset.

(c) Capitalised exploration

In May 2023, the Group entered into a Farm-In and joint venture arrangement (“**Arrangement**”) for the Apollo Project, Adina Project, Margot Lake Project and Voyager Project (“**JV Projects**”). Under the terms of the Arrangement, the Company has the sole right in determining the conduct of the joint venture activities and/or under a management committee, LU7 will act as the operator with a casting vote over the decisions on how to proceed with the JV Projects.

The terms of the Arrangement is as follows:

Input	Terms
Formation of Joint Venture	An unincorporated joint venture will be deemed to have been formed between the parties (a “Joint Venture”), with the Purchaser holding an 80% participating interest and the Vendor holding a 20% carried interest in the Project(s) until the Free Carry End Date.
Joint Venture Terms	<ul style="list-style-type: none"> On the date that the Joint Venture is formed the Purchaser’s interest shall be 80% and the Vendor’s interest shall be 20%. The Vendor shall not be liable to contribute to any Expenditures incurred pursuant to Programs until after the Free Carry End Date in order to maintain its 20% interest.
Powers and Obligations	The Parties shall establish a management committee (the “Management Committee”) to determine and set overall policies, objectives, procedures and actions under this JV Agreement. The Management Committee shall consist of one Representative appointed in writing by each Party, as may be re-appointed from time to time.

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8 CONTRACT TO ACQUIRE LAND

	Note	30 June 2024 \$	31 December 2023 \$
NON-CURRENT			
Contract to acquire land	(a)	832,498	-
Total		832,498	-

(a) Option to acquire land at Lot 22 of the Bécancour Industrial Waterpark (BWIP)

The Group entered into an option agreement to purchase a land holding where it is anticipated that the Company's lithium refinery will be located (**Option**).

Exercise	At the election of Lithium Universe Limited
Purchase Price	\$CAD 12.6 million
Term	36 months from the date of entering into the option agreement
Option Fee	\$CAD 63,135 per month, commencing from February 2025

The following factors and assumptions were used in determining the fair value of the Option under the Monte Carlo option valuation model ("MC model"):

Option life	36 months
Expected volatility	15.00%
Risk-free interest rate	3.45%

9 TRADE AND OTHER PAYABLES

	Note	30 June 2024 \$	31 December 2023 \$
Trade payables		881,058	113,241
		881,058	113,241

10 OTHER LIABILITIES

	Note	30 June 2024 \$	31 December 2023 \$
CURRENT			
Accruals		32,000	145,000
Employee liabilities		147,874	185,135
Provision for employee entitlements		247,553	160,087
Total		427,427	490,222

11 COMMITMENTS AND CONTINGENCIES

EXPLORATION

The Company is required to perform minimum exploration work and expend minimum amounts of money on its tenements. The overall expenditure requirement tends to be limited in the normal course of the Company's tenement portfolio management through expenditure exemption approvals, and expenditure reductions through relinquishment of parts of the whole of tenements deemed non-prospective. Should the Company wish to preserve interests in its current tenements the amount which may be required to be expended as follows:

Note	30 June 2024	31 December 2023
	\$	\$
No later than one year	252,285	252,285
Between one to five years	416,790	416,790
(a)	669,074	669,074

(a) No commitment has been recognised in respect to the Company's option to acquire the land holding at Lot 22 of the Bécancour Industrial Waterpark (BWIP). The Company has the election to terminate the option arrangement at its election during any stage of the agreement.

12 CONTRIBUTED EQUITY

Note	30 June 2024	31 December 2023
	\$	\$
818,913,564 (December 2023: 613,521,897) Ordinary shares	59,799,131	55,971,490
	59,799,131	55,971,490

(a) Ordinary shares – movement reconciliation

	No.	No.
Opening Balance	613,521,897	3,263,441,204
Shares issued in satisfaction of directors fees	-	6,987,607
Share consolidation (20:1)	-	(3,106,906,914)
Shares issued in satisfaction of Voyager Project acquisition	-	67,500,000
Shares issued in satisfaction of Canadian Project acquisition	-	112,500,000
Shares issued in satisfaction of Lefroy Project acquisition	-	45,000,000
Share placement (August 2023 re-listing)	-	225,000,000
Shares issued under offer (April 2024 Share Purchase Plan)	23,175,000	-
Shares issued under offer (Tranche 1 Placement)	95,016,667	-
Shares issued under offer (Tranche 2 Placement)	87,200,000	-
Number of ordinary shares on issue	818,913,564	613,521,897

(b) Ordinary shares – voting rights

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Group. On a show of hands at meetings of the Group, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote. In the event of winding up of the Group ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

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13 RESERVES

		30 June 2024	31 December 2023
	Note	\$	\$
Share based payments reserve	(b)	5,701,313	5,650,468
Fair value reserve		832,498	-
Options reserve		8,795,301	8,795,301
	(a)	<u>15,329,112</u>	<u>14,445,769</u>

(a) Movement in reserves

		30 June 2024	31 December 2023
		\$	\$
Opening balance		14,445,769	12,163,709
Current year share-based payment expense	(b)	50,845	1,555,310
Current year options		-	726,750
		<u>14,496,614</u>	<u>14,445,769</u>

(b) Share based payments reserve

Movement in the Company's share-based payments reserve during the 2024 Half-Year were as follows:

		30 June 2024	31 December 2023
	Note	\$	\$
<i>Expense recognised for consulting services received during the year:</i>			
Share-based compensation granted to directors	(i)	12,322	303,707
Share-based compensation granted to the Apollo Project vendor		-	1,214,773
Share-based compensation granted to consultants and key management	(i)	<u>38,523</u>	<u>36,830</u>
		<u>50,845</u>	<u>1,555,310</u>

(i) Factor/assumptions pertaining to share based payments issued to directors, consultants and key management

At the Company's General Meeting held on 18 July 2023, shareholders approved an Employee Securities Incentive Plan (ESOP). On 16 August 2023, the Company resolved to issue 10,000,000 unlisted options to directors and key management personnel under the ESOP. The following factors and assumptions were used in determining the fair value of the options under the Monte Carlo option valuation model ("MC model").

Grant date	17/08/2023
Option life	36 months
Fair value per option (MC model)	\$0.037
Exercise price	\$0.03
Price of shares on grant date	\$0.05
Expected volatility	80.00%
Risk-free interest rate	3.91%

(ii) Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to directors and consultants. Equity-settled transactions are awards of shares, or options over shares, that are provided to directors and consultants in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

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13 RESERVES (continued)

(ii) Accounting policy for share-based payments

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

14 CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)
Parent Entity:		
Lithium Universe Limited		
Subsidiaries:		
Lefroy Lithium Pty Ltd (formerly eSports Nominees Pty Ltd)	Australia	100
SEA Esports Pte Ltd ¹	Singapore	-
eSports Mogul LLC	United States	100
Tasmanian REE Pty Ltd	Australia	100
Lithium Universe (Holdings) Limited	Canada	100
Lithium Universe Refinery Limited	Canada	100

Notes

¹ A strike off application for SEA Esports Pte Ltd was approved by ACRA on 2 October 2023, with formal strike off to take effect from 2 February 2024.

15 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Directors are not aware of any contingent liabilities or assets as at the date of these financial statements.

16 EVENTS AFTER THE BALANCE SHEET DATE

Since balance date, the following matters have arisen:

- > on 12 July 2024, following receipt of shareholder approval at its annual general meeting, the Company issued:
 - 98,870,834 listed options to participants under the Company's share purchase plan and share placements; and
 - 68,000,000 performance rights to directors and key management personnel.
- > on 12 July 2024, Mr Fadi Diab resigned as a director of the Company; and
- > achieved quotation on the Frankfurt Stock Exchange (FRA) and OTC Markets Group platform (OTC). By obtaining such listings, the Company's securities will be more readily accessible for trading by the European and North American markets.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

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Directors' Declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 14 to 28 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the Half-Year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors.



Ignatius (Iggy) Tan
Executive Chairperson
13 September 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
LITHIUM UNIVERSE LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Lithium Universe Limited which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policy information and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Lithium Universe Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Lithium Universe Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Material Uncertainty Related to Going Concern

We draw attention to Note 2(d) in the half-year financial report, which indicates that the consolidated entity incurred a loss of \$6,955,978 and had net cash outflows from operating and investing activities of \$1,950,633 and \$1,631,613 respectively for the half year ended 30 June 2024. As stated in Note 2(d), these events or conditions, along with other matters as set forth in Note 2(d), indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors of Lithium Universe Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



RSM AUSTRALIA PARTNERS



C J HUME
Partner

Sydney, NSW
Dated: 13 September 2024

