# **BÉCANCOUR LITHIUM REFINERY** PRE-FEASIBILITY STUDY

The successful completion of our Preliminary Feasibility Study is a significant milestone for the company, especially given that we only launched in August of last year. Early on, we recognised that bridging the lithium conversion gap in North America, leveraging our accumulated lithium expertise and the proven technology from Jiangsu, was a clear and strategic path forward.

There is significant interest from OEMs with spodumene offtake supply seeking conversion outside of China, and discussions are already underway. We are confident that the Bécancour lithium refinery, with an annual capacity of 18,270 tonnes, will emerge as a leader in producing green, battery-grade lithium carbonate.

- Iggy Tan, Chairman, Lithium Universe

# HIGHLIGHTS

### **The Lithium Universe Strategy**

- Positive, robust Bécancour Refinery PFS even in low pricing environment
- LU7 has a counter cyclical strategy develop project, ready for price recovery

• Closing the Lithium Conversion Gap – growth in resource and end market projects

#### **The Design**

- LU7 offers a solution to worldwide lithium conversion failures and startup problems
- Using proven Jiangsu Refinery operating technology and lithium industry experience
- Producing up to 18,270 tonnes/year of green
- battery-grade lithium carbonate
- Smaller off-the-shelf style plant rather than large difficult-to-operate facilities
- Initial focus on lithium carbonate production feed for LFP batteries
- Assumptions based on real operating data and experience not new aspirant

## **The Financial Modelling**

- Economically viable with excellent pre-tax NPV8% of approximately US\$779M
- IRR (pre-tax) of approximately 23.5% and payback of 3.5 years based on;
- Price forecast of US\$1,170/t SC6 and US\$20,970/t for battery grade Li2CO3
- Current spot price is approx. US\$775/t SC6 and US\$10,680/t for battery grade LC
- Operating costs at around US\$3,976/tonne; capital cost estimate of US\$494 million
- Expected annual revenue of approx US\$383 million and EBITDA of around US\$147 million
- Project break even at around US\$780 /t (SC6) and around US\$14,000 per tonne LC

## The Location

- Québec ideal trans-Atlantic lithium conversion centre, comparable to China
- Feedstock from Canada, Brazil and Africa end market North America
- Critical cost benefits cheap green power, transport mine/end market savings, US/Canada tariffs
- 95% GHG emission reduction
- with Hydro Québec's green energy

# **Next Steps**

- Offtake discussions with interested OEMs underway
- LU7 continues to progress full Definitive Feasibility Study



Read the Complete Pre-Feasibility Study and watch explainer video's from the LU7 Dream Team here:

