

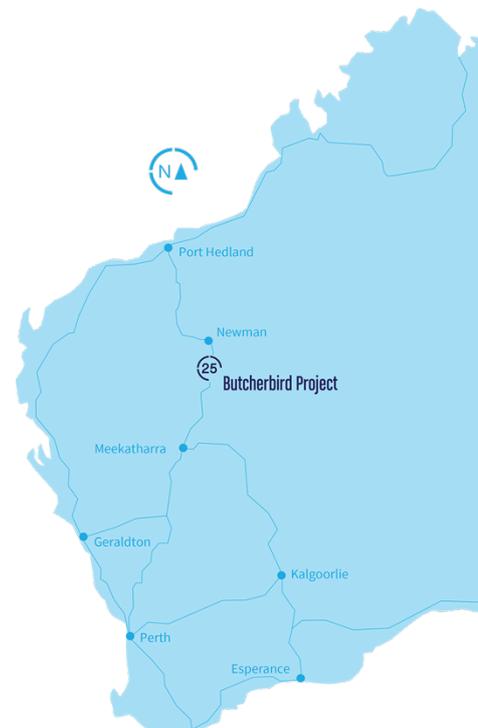
Transport of First Manganese Shipment to Port Hedland in Progress

- AK Evans Group Australia commences haulage of manganese concentrate to Port Hedland under OMH take or pay offtake agreement.
- First shipment comprises approximately 25-30KT of manganese concentrate.
- Ship laycan confirmed for a late June loading window.

Element 25 Limited (**E25** or **Company**) (ASX:E25) is pleased to confirm that ore haulage has commenced under the terms of the Letter of Intent executed with AK Evans Group Australia (**AK Evans**) for transportation of manganese concentrate from the Company's 100% owned world class Butcherbird Manganese Project (**Project**) to Utah Point in Port Hedland.

The first trucks departed the Project on 8 June 2021 containing the first manganese concentrate produced from the Project. This material has been produced as part of the commissioning and ramp up of the Stage 1 processing plant which will produce a nominal 365Kt of high-quality manganese concentrate over a mine life of approximately 40 years prior to a proposed 3X expansion in Stage 2¹.

Haulage of the remaining concentrate to make up the planned total 27Kt of material will occur over coming days culminating in the loading of the first ship containing Butcherbird manganese product, currently scheduled to for the last week of June 2021.



¹ Reference: Company ASX Release dated 3 December 2020.

COMPANY SNAPSHOT

Market Summary

ASX code: E25
 Shares on issue: 149M
 Share price: \$2.25

Board of Directors:

Seamus Cornelius Chairman
 Justin Brown MD
 John Ribbons NED

Element 25 Limited is developing the world class Butcherbird Manganese Project in Western Australia to produce high quality manganese concentrate and high purity manganese products for traditional and new energy markets.

E25 Managing Director Mr Justin Brown commented, “The team has bowled over yet another key milestone on our journey to fast-track the development of the Project. The successful commissioning and ramp up of this first stage of development provides a fantastic foundation from which to grow this business both by expanding concentrate production as part of our Stage 2 expansion plans but also by developing the processing infrastructure to produce battery grade Zero Carbon Manganese™ products for the Li-Ion batteries which will power the electrification of the global vehicle fleet.”



Project team focus

The Project team will now turn its focus to the next stages of the multi-stage development strategy of the Project including a Stage 2 expansion of the concentrate business followed by a Stage 3 development to convert the concentrate material into high purity manganese sulphate monohydrate (HPMSM) for electric vehicle (EV) batteries to power the global transition away from fossil fuel powered mobility

Manganese is emerging as an increasingly important ingredient for EV batteries, with potential supply constraints for nickel and cobalt forcing battery manufacturers to look to high manganese cathodes to produce the vast amount of cathode material required by the EV industry in coming years.²

The Project is ideally placed to feed this potential demand, with **advanced flowsheet development** work undertaken in 2019 and 2020 confirming a simple, unique, ambient temperature and atmospheric pressure leach process for E25 ores which, when combined with offsets, will target the world’s first **Zero Carbon Manganese™** for EV cathode manufacture³.

² <https://thenextavenue.com/2021/01/22/svolt-opens-orders-for-its-nmx-nickel-manganese-batteries/>

³ Reference: Company ASX release dated 12 February 2019.

About the Butcherbird Manganese Project

The Butcherbird Manganese Project is a world class manganese resource with current JORC resources in excess of 263 Mt of manganese ore⁴. The Company completed a Pre-Feasibility Study (PFS)⁵ with respect to developing the deposit to produce manganese concentrate for export to generate early cashflow with a modest capital requirement⁶. The outstanding economics and low capital hurdle of less than A\$17 million for the first stage of development has allowed the Company to deliver first production from the Project in less than twelve months from the publication of the PFS.

The PFS also highlighted the Project has the potential for significant growth beyond the initial Stage 1 production volumes (the studies examined the potential for a 2X and 3X expansion to Stage 1 within 12 months of initial commissioning) and the Company expects to expedite the expansion of the Project.

In addition to the concentrate export business, the Company has completed extensive research & development and laboratory test work into the production of high purity manganese products including battery grade manganese sulphate (HPMSM) and High Purity Electrolytic Manganese Metal (HPEMM). The work has highlighted that the Butcherbird ores are highly amenable to an ambient temperature, atmospheric pressure leach process, resulting in a very efficient extraction of the manganese into solution, the key requirement for the cost effective and sustainable production of HPMSM and HPEMM.

The Project straddles the Great Northern Highway and the Goldfields Gas Pipeline, providing turnkey logistics and energy solutions. The Company plans to integrate renewable energy into the power solution over time to target a zero-carbon footprint for the Project, which is expected to also reduce energy costs. A cleaner, lower carbon flowsheet and high penetration renewable energy will place Butcherbird at the forefront of sustainable high purity manganese production.

Mineral Resources

Category	Tonnes (Mt)	Mn (%)	Si (%)	Fe (%)	Al (%)
Measured	16	11.6	20.6	11.7	5.7
Indicated	41	10.0	20.9	11.0	5.8
Inferred	206	9.8	20.8	11.4	5.9
Total	263	10.0	20.8	11.4	5.9

Notes:

- Reported at a 7% Mn cut-off for the Measured and Indicated categories and an 8% Mn cut-off for the Inferred categories.
- All figures rounded to reflect the appropriate level of confidence (apparent differences may occur due to rounding)

⁴ Reference: Company ASX release dated 17 April 2019.

⁵ Reference: Company ASX release dated 19 May 2020.

⁶ Reference: Company ASX release dated 3 December 2020

Mining Reserve

Based on the results of the Pre-Feasibility Study completed in May 2020, E25 has published a Maiden Ore Reserve for the Project of 50.55Mt in the Proved and Probable categories⁷.

Classification	Tonnes (Mt)	Grade (Mn%)	Contained Mn (Mt)	Recovered Mn (Mt)
Proved	14.4	11.5	1.65	1.35
Probable	36.2	9.8	3.56	2.92
Total	50.6	10.3	5.21	4.27

Justin Brown

Managing Director

Company information, ASX announcements, investor presentations, corporate videos and other investor material in the Company's projects can be viewed at: <http://www.element25.com.au>.

Competent Persons Statement

The company confirms that in the case of estimates of Mineral Resource or Ore Reserves, all material assumptions and technical parameters underpinning the estimates in the market announcements dated 17 April 2019 and 19 May 2020 continue to apply and have not materially changed. The company confirms that the form and context in which the competent person's findings are presented has not been materially modified from the original market announcements.

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Justin Brown who is a member of the Australasian Institute of Mining and Metallurgy. At the time that the Exploration Results and Exploration Targets were compiled, Mr Brown was an employee of Element 25 Limited. Mr Brown is a geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Brown consents to the inclusion of this information in the form and context in which it appears in this report.

This announcement is authorised for market release by Element 25 Limited's Board of Directors.

⁷ Reference: Element 25 Limited Reserve Statement lodged with ASX 19 May 2020.