

Element 25 Limited Investor Update



Building a World-Class Battery Grade Manganese business

July 2023 – London, New York, Toronto Investor Update

ASX:E25

This presentation contains only a brief overview of Element 25 Limited and its associated entities ("Element 25") and their respective activities and operations. The contents of this presentation, including matters relating to the geology of Element 25's projects, may rely on various assumptions and subjective interpretations which it is not possible to detail in this presentation and which have not been subject to any independent verification.

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The information contained in this presentation is not a substitute for detailed investigation or analysis of any particular issue. Current and potential investors and shareholders should seek independent advice before making any investment decision in regard to Element 25 or its activities.

ASX Ticker: E25

Issued Shares: 218M

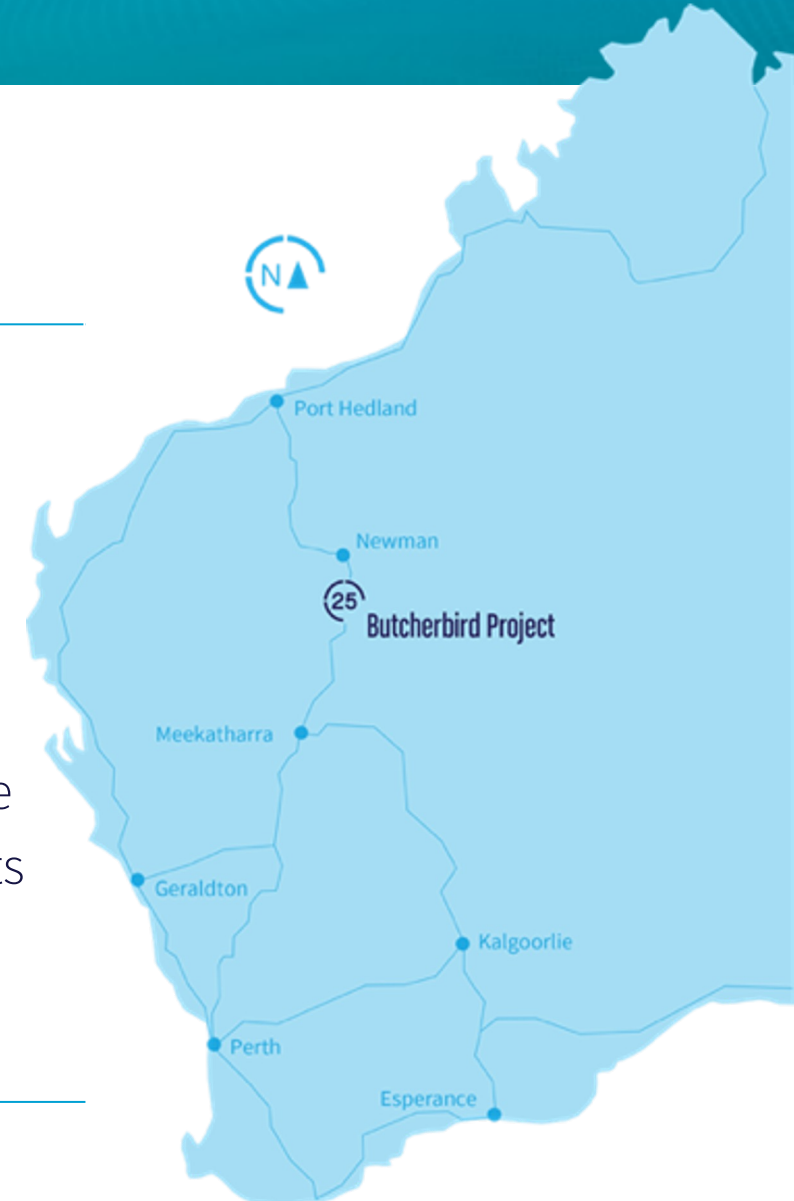
Share Price: A\$0.55

Market Cap: A\$120M

Debt: Nil

Introduction:

Developing the world class Butcherbird Manganese Project in Western Australia to produce high quality manganese concentrate and battery grade High Purity Manganese Sulphate Monohydrate (HPMSM) products for traditional and new energy markets.



Experienced Owners Team

BOARD OF DIRECTORS



Seamus Cornelius
Chairman
Lawyer



Justin Brown
Managing Director
Geologist



John Ribbons
Non-Executive Director
CPA



Fanie van Jaarsveld
Non-Executive Director
Analytical Chemist



Sam Lancuba
Non-Executive Director
Chemical Engineer

Recent additions
strengthens depth of
industry & operational
experience for both
mining and chemical
processing divisions.

PROJECT DEVELOPMENT AND OPERATIONS TEAM



Michael Jordon
Chief Financial Officer
CPA



Doug Flanagan
COO (HPMSM)
Engineer



Ian Huitson
Study Manager
Mining Engineer



Sias Jordaan
Marketing Manager
Accountant



Neil Graham
Development Manager
Chemical Engineer

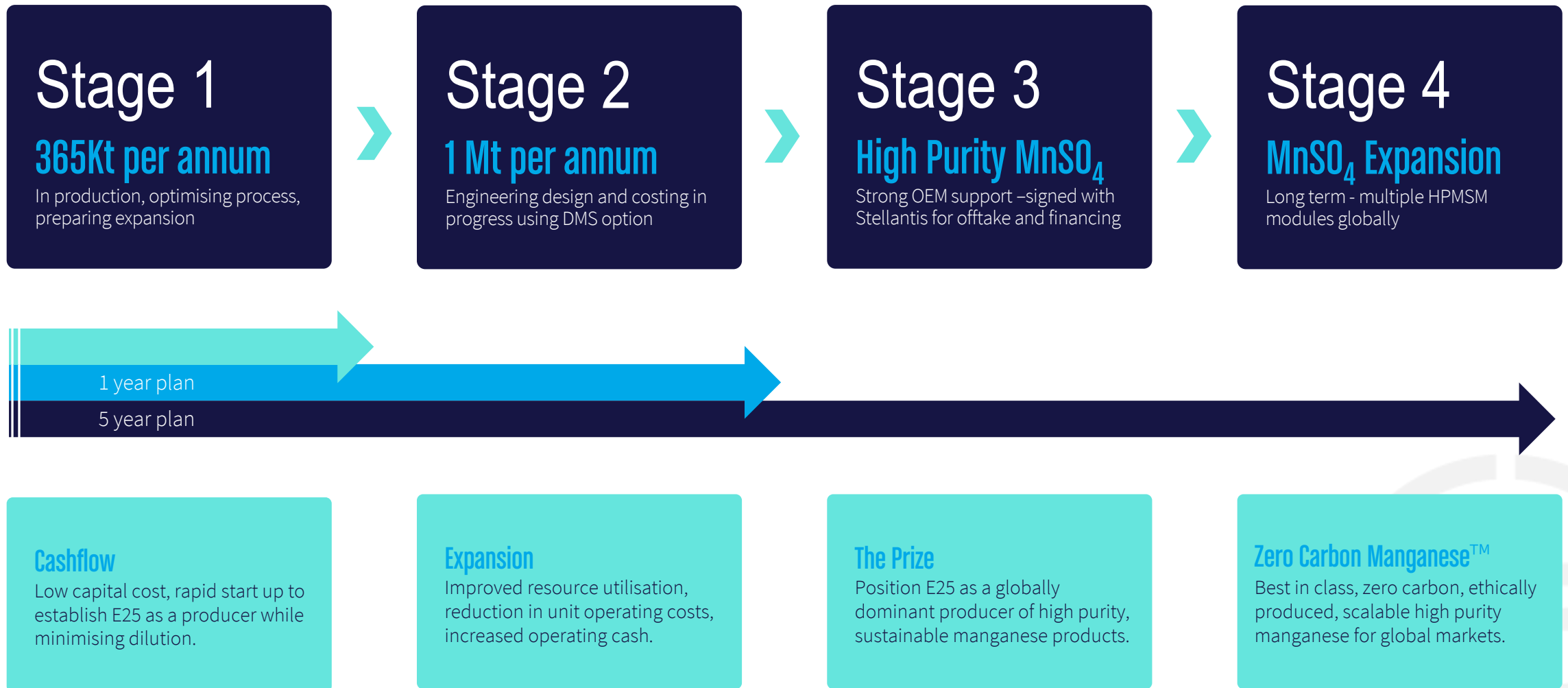


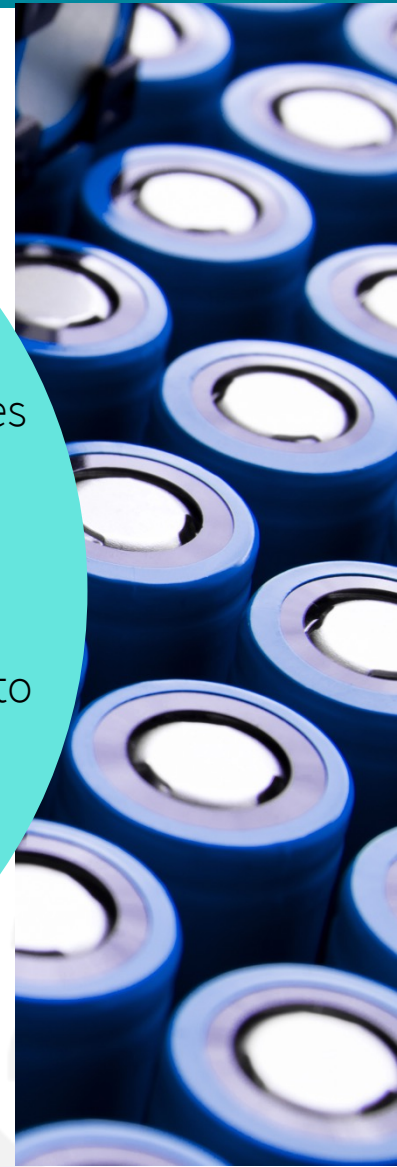
Gideon van Wyk
GM Manganese Ore Bus.
Mechanical Engineer



Clint Moxham
GM Operations.
Mining Engineer/Geol.

Our Strategic Vision...





Mn ALLOYS

Used in steel, alloys and aluminium products.

High silica concentrate suitable for Si-Mn alloys

Global demand grows in line with steel consumption

Australian location close to Asian markets



HPMSM - EV FUEL

A key raw material for Electric Vehicle (EV) Batteries

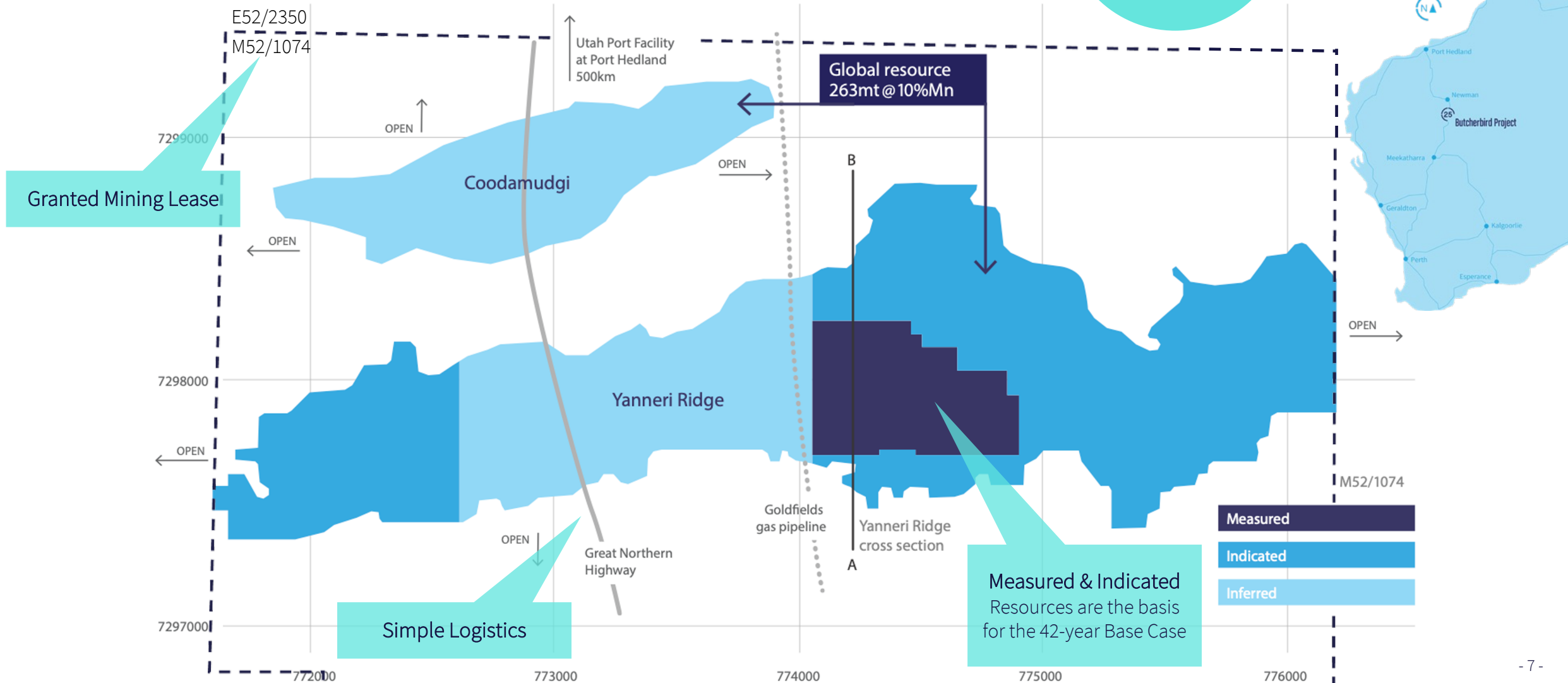
New approach to improve HPMSM ESG credentials

Strong demand growth linked to the rapid transition to EV mobility

E25 process offers key advantages

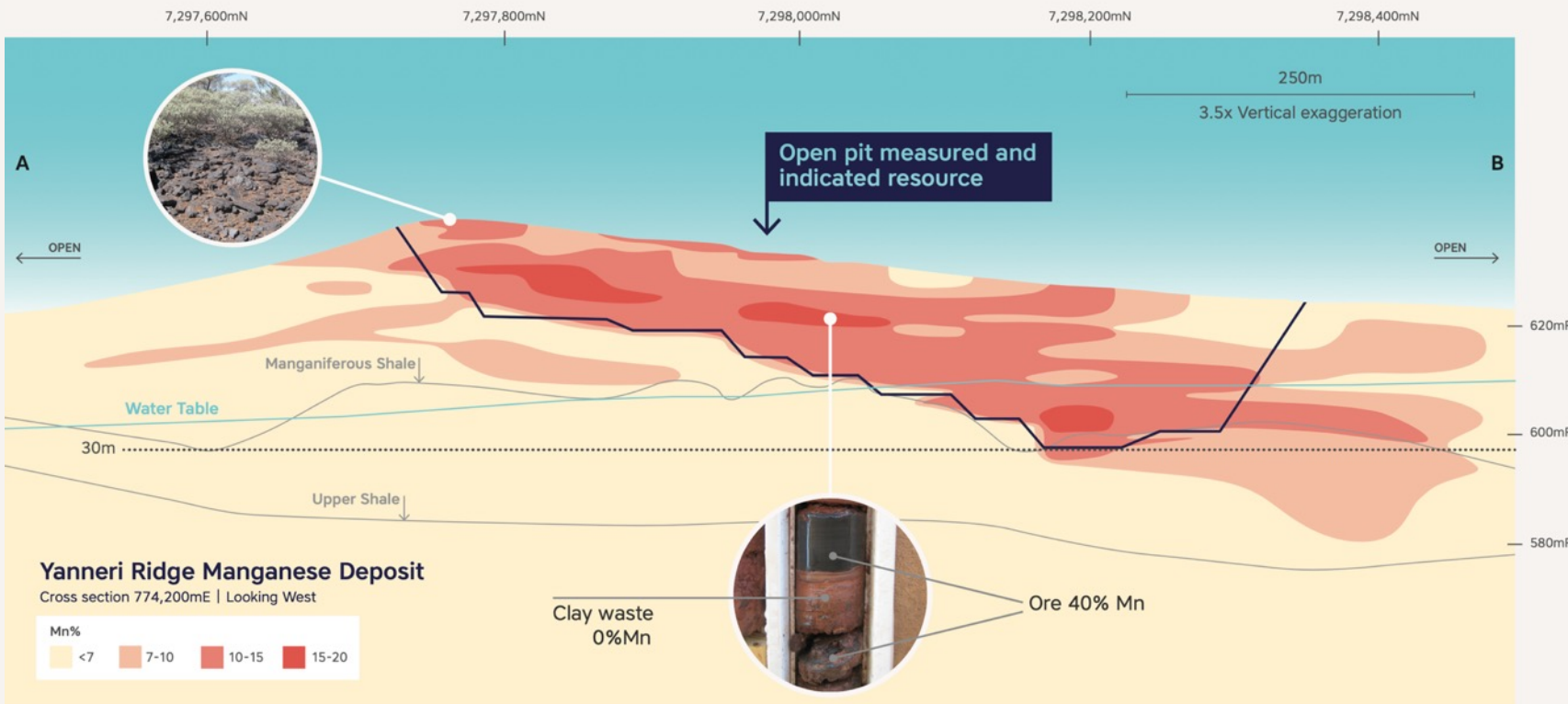
Large long mine life manganese concentrate operation

100% E25 owned, long term tenure.



Very simple geology equals low-cost, low impact manganese units

Classification	Tonnes (Mt)	Mn (%)	Contained Mn (Mt)
Resource	263	10.0	20.8
Reserve	50.6	10.3	5.22



RESOURCE GROWTH POTENTIAL

- Enough resource base for multi-decade long expansion pathway.
- Can produce concentrate, battery grade HPMSM and EMM without resource limitation.

ENVIRONMENTALLY BENIGN OPERATION

- Ore from surface
- No explosives required
- No waste water
- One reagent – water
- Extremely low levels of contaminants

Stage 1: Project Delivery Complete – Engineering Optimisation Progressing



ROM Stocks

Process Water Storage

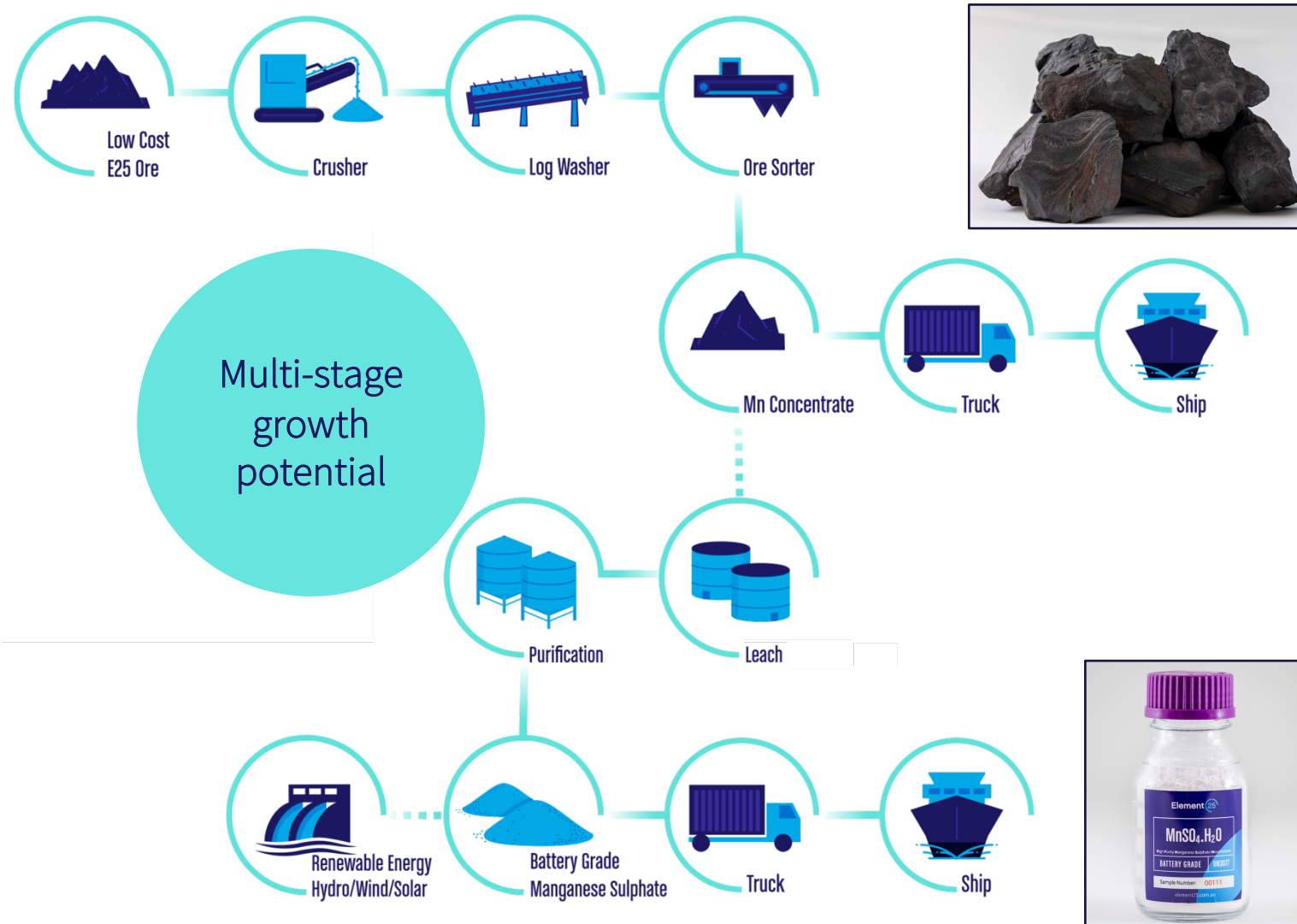
Tails Storage

Main Access Road

Processing Plant

Ore Stockpiles Feedstock for HPMSM conversion

Our Goal – Zero Carbon High Purity Manganese...



Multi-stage growth potential

Stage 1
First production of manganese concentrate to sell to manganese alloy manufacturers

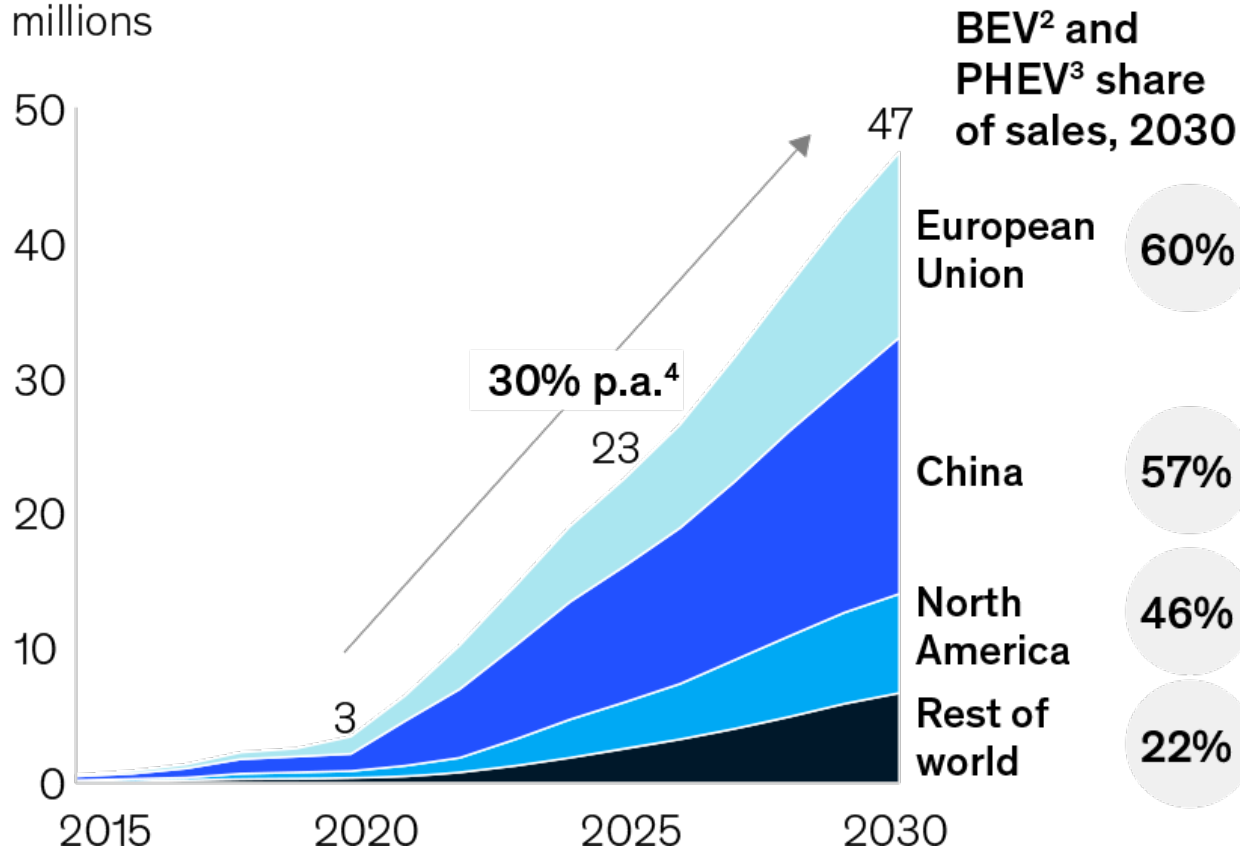
Stage 2
Expansion of the concentrate production to produce manganese feedstock to convert to MnSO₄

Stage 3
Establishing a conversion facility to convert the concentrate to battery grade HPMSM with renewable energy

New Energy Vehicle (NEV) Demand Growing Strongly

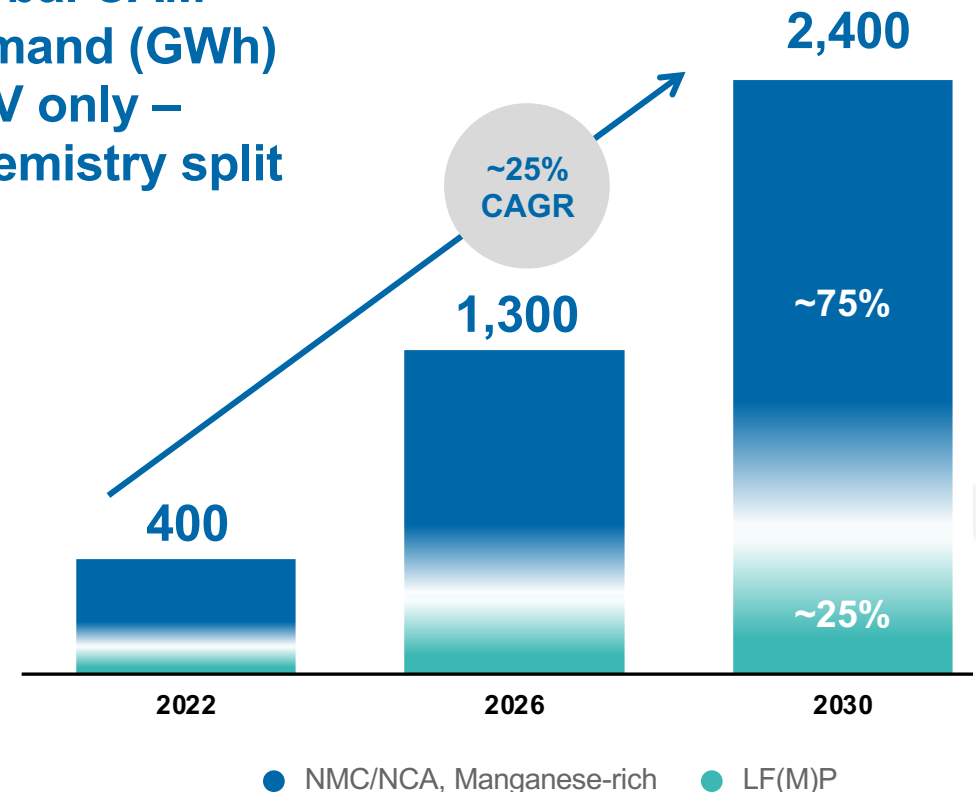
Global EV¹ market growth is strong and accelerating.

Global BEV² and PHEV³ light-vehicle production, millions



More vehicles equals more batteries!

Global CAM demand (GWh) LDV only – Chemistry split



Geopolitical Challenges are Influencing Investment Trends

Supply Chain Diversification

- Current battery raw material supply is dominated by China.
- Single source supply threatens supply security.
- Supply chain diversity increasingly important to OEMs.

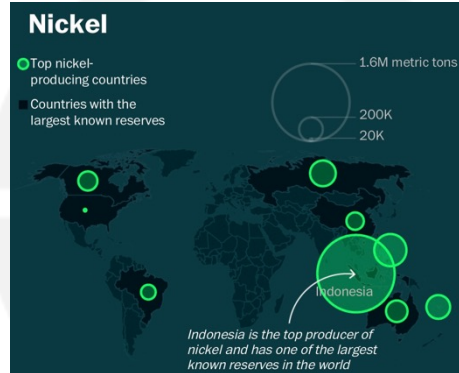
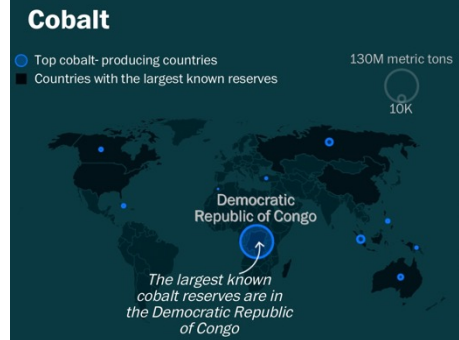
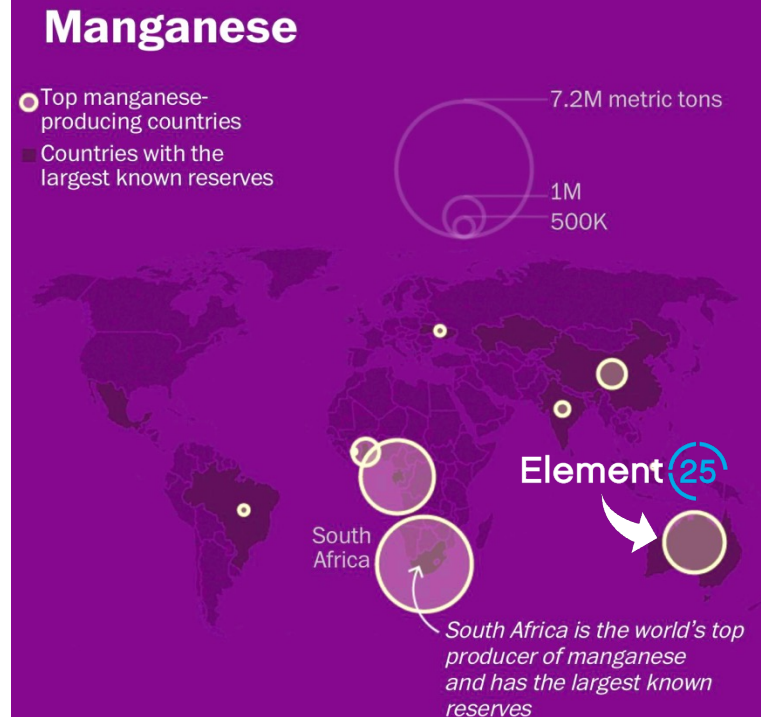
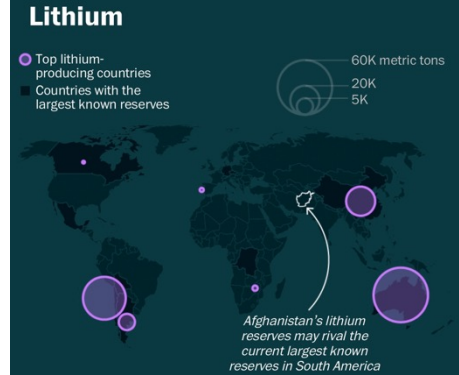
ESG

- OEM commitments to zero carbon require low carbon supply.
- E25 process provides the lowest carbon intensity HPMSM available.

Transparency & Traceability

- ESG considerations are increasingly influencing supply decisions.
- Carbon Zero commitments by vehicle makers requires clarity on supply chain carbon intensity.
- Single source Australian manganese processed in a vertically integrated USA facility for OEM customers can solve this challenge.

Manganese is increasingly important as an EV battery cathode material. OEMs are seeking ethical, cost competitive, low carbon supply. Australian HPMSM can solve these challenges.



The Battery Industry is Looking to Manganese



“High-manganese represents the **optimum cost-benefit ratio.**”

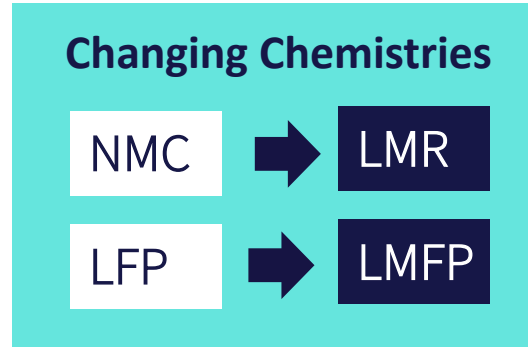
Volkswagen, March 2021

Li-Mn-rich technology shown as “**cost**” solution in electrification roadmap.

BMW, November 2021

Tesla is working on new manganese battery cell.

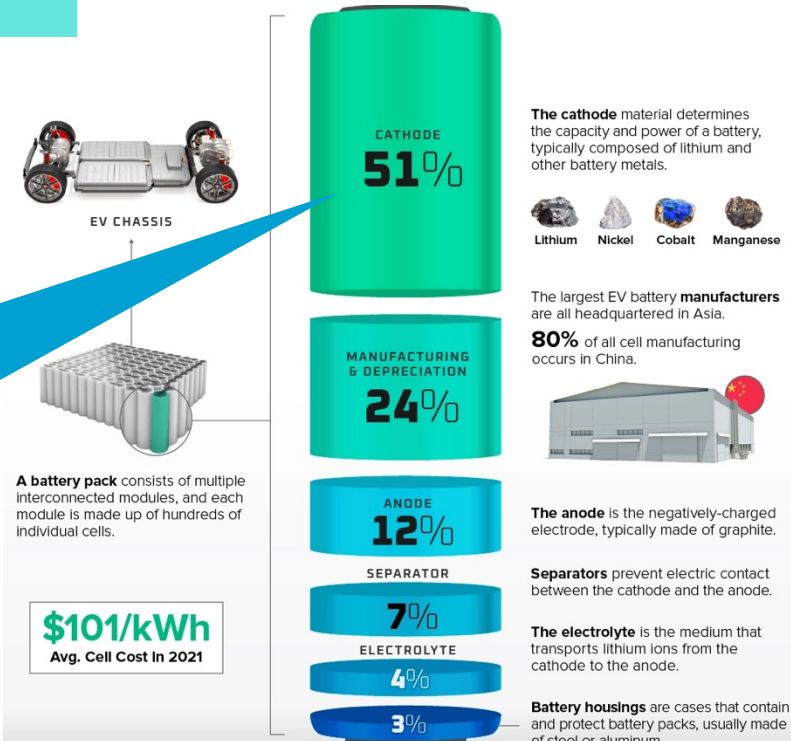
Tesla, March 2022



Battery Chemistries are Adapting to Supply Constraints

Manganese in cathodes:

17% of material but only 2% of cost (NMC 622)



Manganese, the battery raw material supply chain solution?

PDAC 2023 Keynote Speaker

“...manganese (is) the single most critical mineral for batteries right now,” he said.

“How many companies outside of China make manganese commercially for a battery right now? Which is the hottest metal for batteries? How many? None, not one,” Hoffman said, adding “and there’s where the opportunity is — unbelievable.”

“...manganese is the single most critical mineral for batteries right now...”

Ken Hoffman, co-head of the EV battery materials research group and senior expert at McKinsey & Company



Low cost, efficient HPMSM process - significant improvements...

Problems with Current Technologies

- Large volumes of waste residues
- Toxic Reagents
- Inefficient
- Higher Cost
- Outdated processing technology

The Element 25 Process makes significant changes & improvements...



Reagents/Cost



Carbon Emissions



Waste Residue

Element 25 Process

- More efficient (fast kinetics, reduced energy)
- Minimises reagent requirements
- Reduced carbon intensity
- Lower volumes of waste residues
- Non-toxic residues may be able to be repurposed.



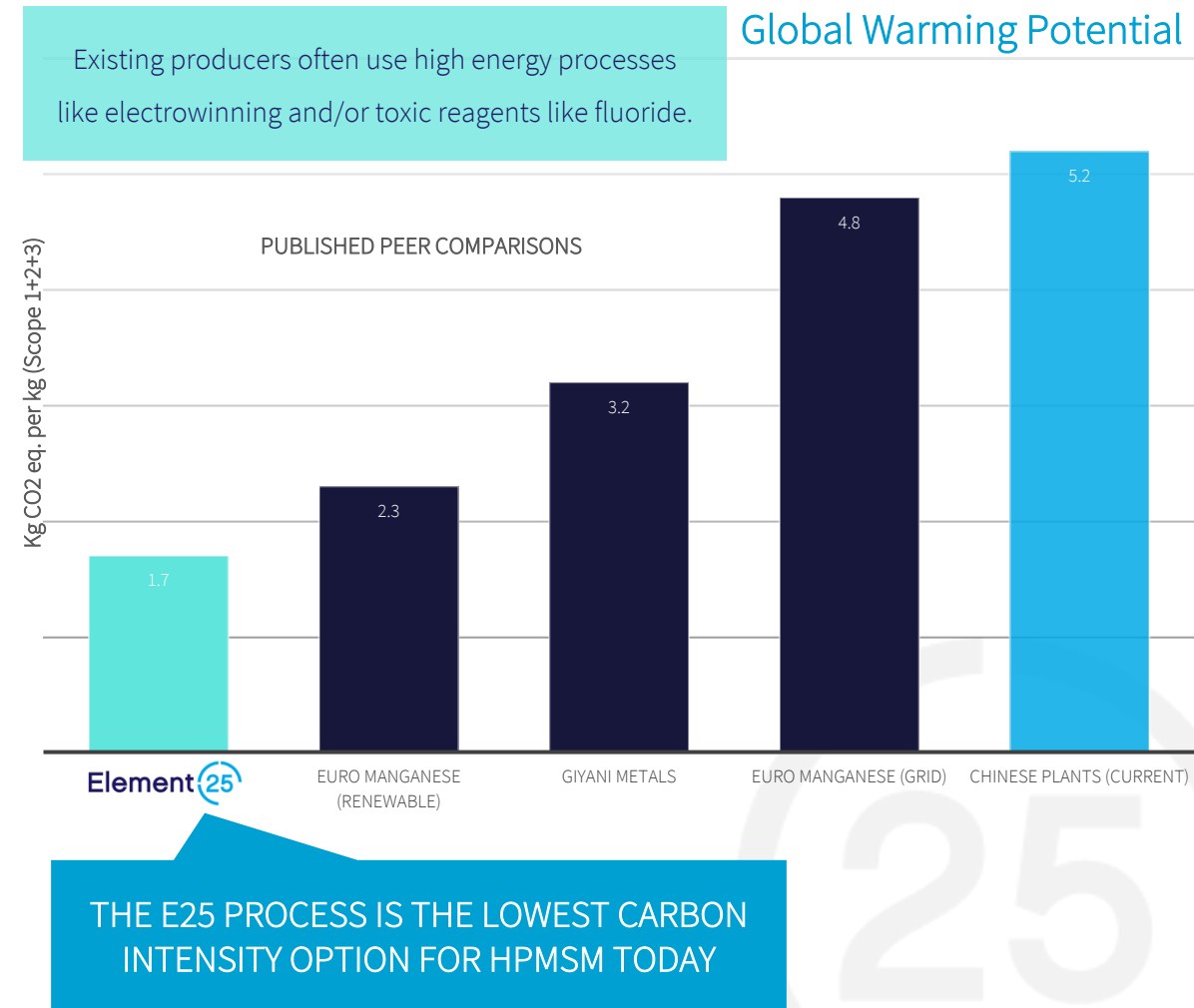
99.99%
 MnSO_4

Targeting Zero Carbon Manganese - ESG is integral to our thinking

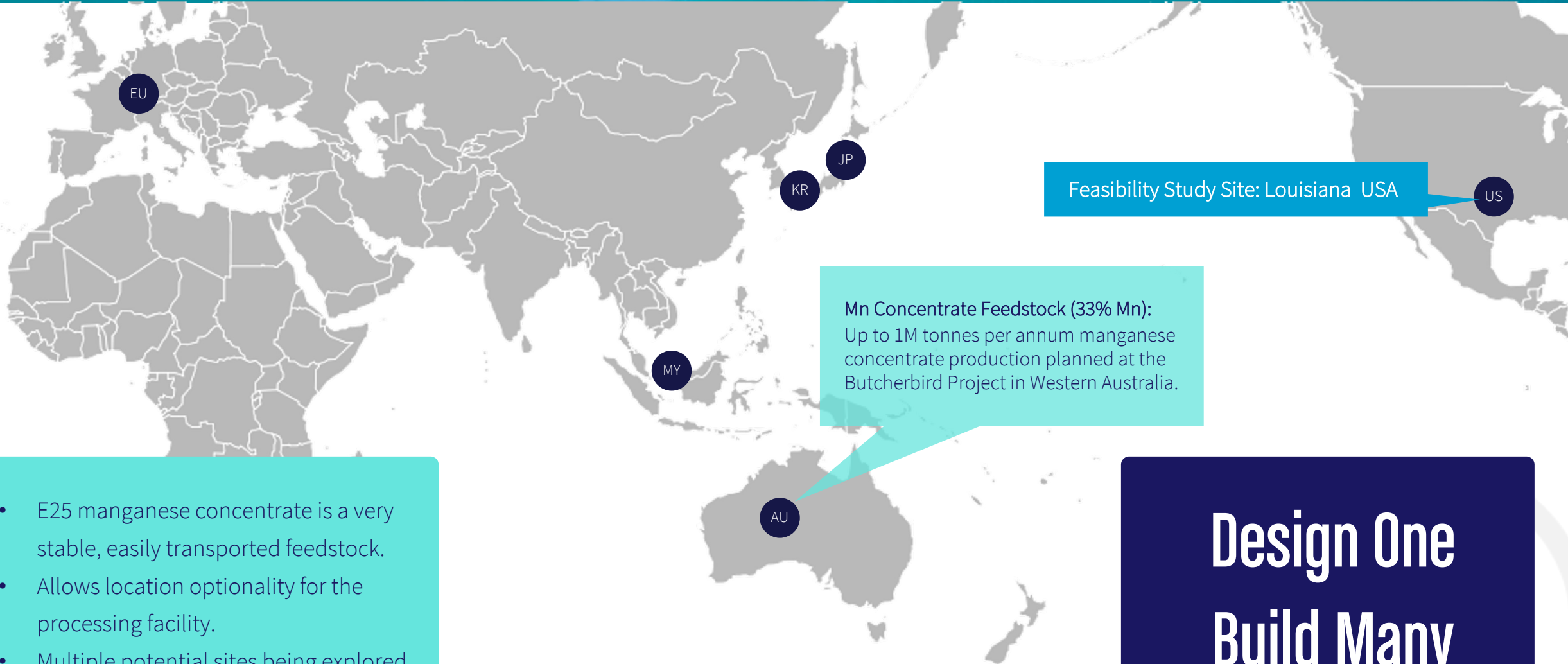
- LCA covers Scope 1,2 and 3 emissions from mining through to the proposed USA-based HPMSM processing plant.
- E25 HPMSM to produce ~1.7kg of CO₂ for every 1kg of HPMSM:
 - ~67% lower than competitors in China.
 - up to 47% lower than competitors outside China.
 - ~26% lower than next lowest project's optimised case.
- E25 process is not yet fully optimised for carbon reduction.
- E25 to explore renewable energy and other potential carbon reduction strategies to further reduce CO₂.



Supply chain transparency and traceability partner.



Stage 3 Expansion of Conversion Capacity - Multiple Plants Planned



- E25 manganese concentrate is a very stable, easily transported feedstock.
- Allows location optionality for the processing facility.
- Multiple potential sites being explored.

**Design One
Build Many**

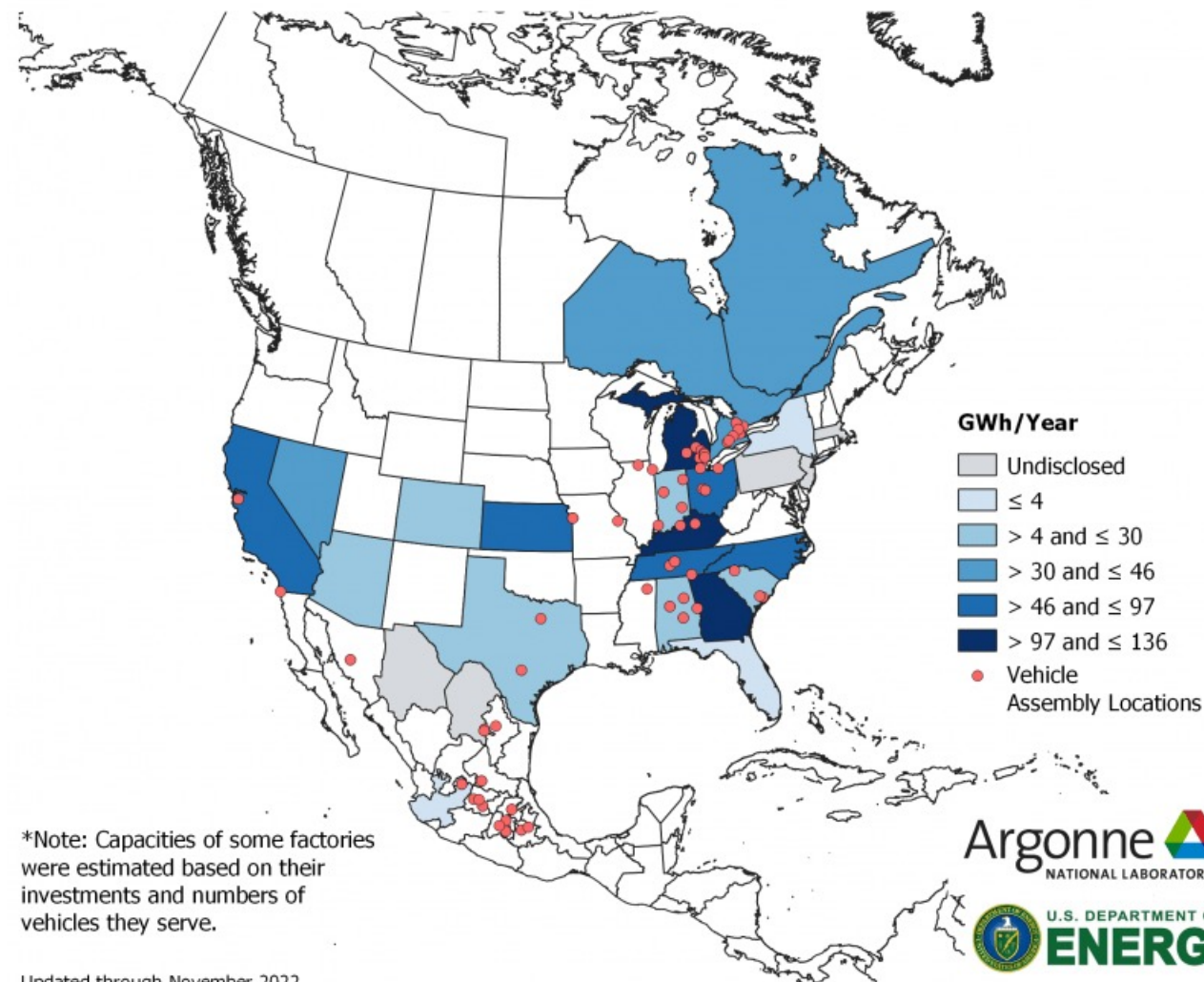
Summary of Impacts on Battery Supply Chains

- Regulations effective from January 1, 2025.
- Requirement for **40% of battery materials** to be sourced from north American or allied countries from 2024.
- Increasing to **80% by 2026**.
- Allied countries include Australia, manganese is a qualifying critical mineral.

What does this mean for E25?

- E25 HPMSM can meet all the stated requirements of the new regulations.
- E25 resource size can supply conversion requirements for USA customers to meet their consumption needs for **decades**.
- Potential built in north America to ensure customers’ HPMSM requirements meet regulatory and strategic goals.
- After calendar year 2024, the incentives will not be available for EVs that contain critical minerals that were “extracted, processed, or recycled by a foreign entity of concern”.

Planned Battery Plant Capacity in North America by 2030

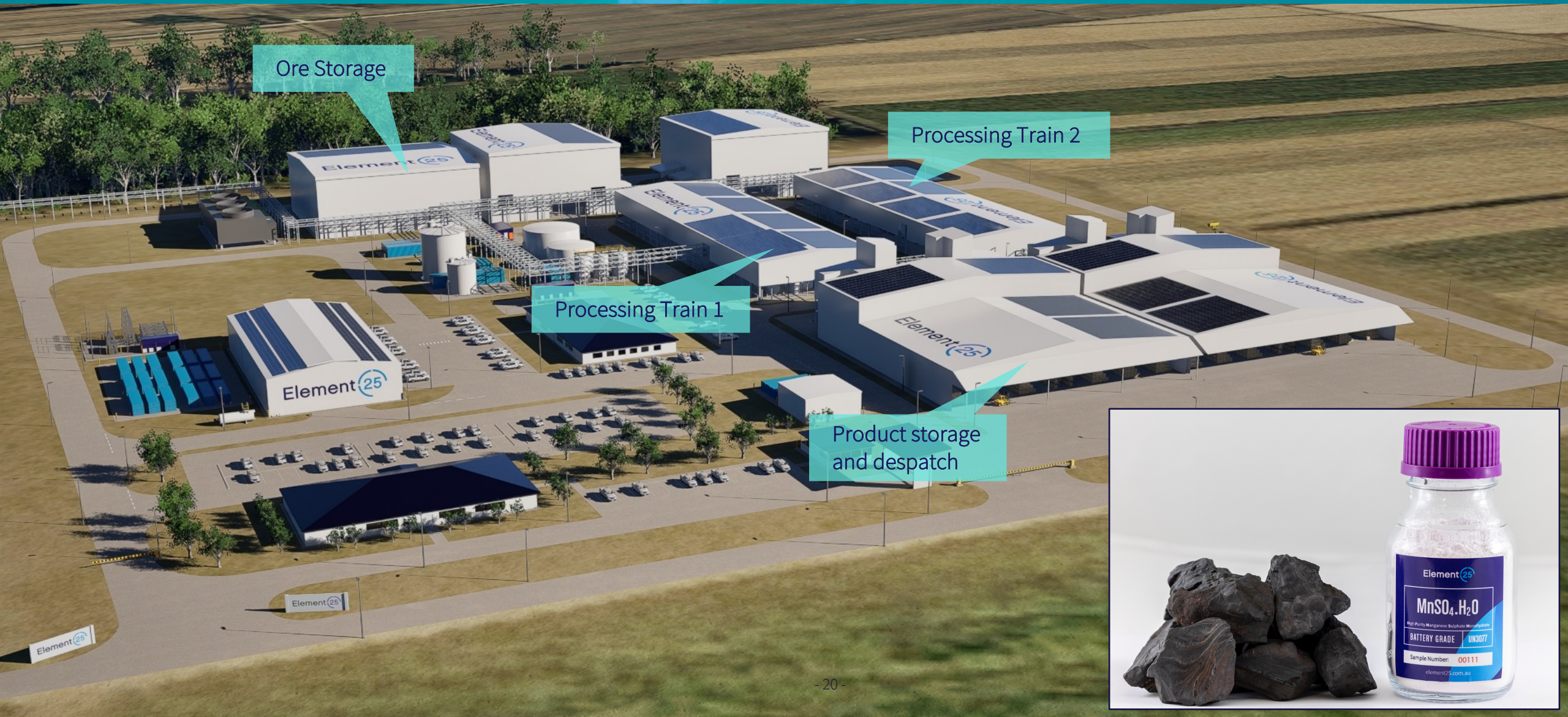


Pre-FID Activities Underway with local Engineering & Construction Contractors:

- Conducting detailed assessments of the viability of the proposed site.
- Focusing on local content where possible.
- Negotiating partnerships with local reagent suppliers.
- Commercial frameworks being advanced to prepare for FID:
 - Logistics – inbound and outbound
 - Reagents supply agreements
 - Site lease
 - Engineering (FEED progressing on time and budget)
- Working with potential local design and construction contractors to develop contracting strategies.
- Looking to bring a range of community benefits to Ascension Parish which underpins significant incentives package (subject to approval)
- Advancing approval discussions with relevant regulators .



Proposed Production Plant - Ascension Parish Louisiana



Ore Storage

Processing Train 2

Processing Train 1

Product storage and despatch



Strong financial results underpinned by competitive capital and operating cost estimate



Cashflow

US\$155M

pre-tax average cashflow p.a. at full production (2 trains)



NPV

US\$1,662M

pre-tax (real) at full production
Discount Rate 8%



IRR

29%

pre-tax at full production



Capital

US\$289M

for train 1 with an additional US\$187M required for train 2



HPMSM

65,000 t/a

expanding to 130ktpa with a second train



USD\$30M | equity & prepay

- Binding agreements signed for offtake and funding.
- Key commercial terms include:
 - Five (5) year HPMSM supply commitment (nominal 10Ktpa).
 - Stellantis commits US\$30M funding to E25's HPMSM processing facility.
 - First US\$15 has been completed as equity at A\$1 per share.
- Arrangement includes commitments from E25 with respect to ESG and IRA.

(Reference: Company ASX Release dated 9 January 2023)



general motors

USD\$85M | senior debt

- Binding agreements signed for offtake and funding.
- Key commercial terms include:
 - Seven (7) year HPMSM supply commitment (up to 32,500Ktpa).
 - GM commits \$85M funding to E25's HPMSM processing facility.
 - Funding committed as senior project debt.
 - Seven year post construction repayment schedule.
- Arrangement includes commitments from E25 with respect to ESG and IRA.


(Reference: Company ASX Release dated 26 June 2023)


Multiple funding pathways being actively negotiated:

- **US\$115M secured through GM and Stellantis deals.**
- Discussions in progress with other potential offtake partners.
 - Offtake + Finance.
 - Debt/Pre-Pay/Equity all in play.
- Other funding avenues:
 - Nordic/Green Bonds/PE Debt.
 - Traditional project finance.
 - Government funding – DoE/DoD.
 - Green bonds.

US\$30M  **STELLANTIS**
\$15M Equity & \$15M Prepay
Binding documents executed

US\$85M  **general motors**
Senior debt
Binding documents executed

US\$30-50M 
Senior debt/Prepay/Equity with offtake
Negotiations in progress.

US\$100-150M 
Senior debt plus equity
Negotiations in progress

US\$289M 
Construction Capital Cost
Feasibility Study Estimate for Train 1 Construction

Our Strategic Vision...



Thank you

Element 

For more information, please contact Element 25 Limited:

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admin@e25.com.au

www.element25.com.au

ASX:E25

Our Strategic Vision...

Resource scale of the Butcherbird Project underpins long-term growth.

Company Growth Stages

Industry Segments

Opportunity

CURRENT FOCUS

Manganese Ore

Ethical Clean Manganese Supply

Long term ethical supply of manganese units for downstream processing

All Manganese Industries

Manganese is the world's fourth largest metal market and is used in many products from steel to batteries, glass, ceramics and more.

Reliable Long Term Supply

Demand for high quality, ethically sourced manganese units remains strong. Australia is close to market and geopolitically stable.

Manganese Sulphate

Powering the EV Revolution

Providing ethical, low carbon battery materials to enable the EV transition

Lithium Ion Battery Cathodes

Manganese offers advantages including increased safety, lower costs and ethical supply. High Mn cathodes are in focus.

Electrification of Global Vehicle Fleet

A macro trend that will dominate the car industry for decades. Demand for high quality ethical HPMSM to grow for many years.

FUTURE FOCUS

Manganese Metal

Future R&D Pathway

Applying the E25 technology to other manganese products including EMM.

Steel and Specialty Alloys

Supply chain issues not limited to batteries. Traditional consumers are also desperate for ethical, low carbon supply of EMM.

Supply Chain Diversity

Strong interest from steel makers to access alternative, ethically sourced, low carbon steel inputs.

Reserves and Resources

Maiden Ore Reserve¹

Category	Tonnes (Mt)	Mn (%)	Contained Mn (Mt)
Proved	14.4	11.5	1.65
Probable	36.2	9.8	3.56
Total	50.6	10.3	5.22

Global Mineral Resource²

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

- 89% conversion of measured and indicated resources to reserve.
- Maiden Reserve only exploits approximately 20% of global mineral resource.
- Excellent potential for future expansion.
- More drilling has potential to add to global resource.

¹Reference: Element 25 Limited ASX release dated 30 September 2022.

²Reference: Element 25 Limited ASX releases dated 17 April 2019.

Competent Person's Statement

The information in this presentation that relates to Exploration Results is based on information compiled by Mr Justin Brown who is a full-time employee of the Company and is a member of the Australasian Institute of Mining and Metallurgy. Justin Brown 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'. Justin Brown consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

All references to Mineral Resources pertain to the ASX release dated 17 April 2019. The Company confirms that all material assumptions, underpinning the estimations continue to apply and have not materially changed.

All references to Mineral Reserves pertain to the ASX release dated 30 September 2022. The Company confirms that all material assumptions, underpinning the estimations continue to apply and have not materially changed.

For further information on Element 25 Limited and its Projects please visit its website at www.element25.com.au which contains copies of all continuous disclosure documents to ASX, Competent Persons' Statements and Corporate Governance Statement and Policies.

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The views expressed herein are not necessarily the views of the Australian Government, and the Australian Government does not accept responsibility for any information or advice contained herein.

