

ELEMENT 25, REGROUP & SCANIA TO COLLABORATE ON AUTONOMOUS MINING FLEET FOR BUTCHERBIRD MINE

Element 25 Limited (**E25**, **Element 25** or **Company**) (ASX: **E25**; OTCQX: **ELMTF**) is pleased to announce planning is underway for the launch of Scania's world-first fleet of autonomous in-pit mining trucks at Element 25's 100%-owned Butcherbird Manganese Mine (**Butcherbird Project** or **Butcherbird**), as part of a collaboration between Element 25, Scania and Australian services provider Regroup. The Butcherbird Project is E25's flagship manganese asset located in Western Australia's Pilbara region.

The world-first fleet of 11 autonomous rigid G 560 8x4 tippers, transporting manganese ore and waste material for Element 25 at Butcherbird, is targeting commencement in 2025, in line with the planned expansion of the Butcherbird Mine. Scania, Regroup and Element 25 will now work to finalise the details of this solution to align with the expansion.

The implementation of autonomous mining vehicles at Butcherbird is expected to deliver improved productivity, **reduced carbon intensity** through improved fuel efficiency, **enhanced safety** and **lower costs** compared to a traditional mining fleet. The rollout is intended as a stepping stone on E25's journey to fully electric autonomous ore haulage at Butcherbird.

To support the optimisation of site power infrastructure and planned renewable energy generation at Butcherbird, the programme will also include the roll-out of a fully battery electric vehicle (**BEV**) equipped as a water truck. This vehicle will provide important operational data, particularly around duty cycles and charging infrastructure, which will inform a future transition to a fully electric mobile fleet at Butcherbird.

Automation of mining transport at Butcherbird will offer improvements in operational safety, sustainability, and logistical efficiency, as well as reducing energy requirements, mining footprint and infrastructure requirements. The solution is expected to reduce operational costs and therefore provides significant advantages across all aspects of the business.

E25 intends to construct a large-scale processing facility at Butcherbird to produce a nominal 1.1Mt per annum of high-quality manganese oxide concentrate, which will be targeted at customers in the downstream steel industry. It will also be the feedstock for E25's first-of-its-kind battery grade high purity manganese sulphate monohydrate (**HPMSM**) processing facility which it plans to construct in Louisiana USA in partnership with General Motors LLC (**GM**) and Stellantis N.V. (**Stellantis**) (**HPMSM Project**). The HPMSM Project has strong support from the US Government's Department of Energy (**DoE**), and was selected to negotiate for the award of US\$166M in DoE grant funding for the Project¹.

¹ Reference: Company ASX release dated 29 September 2024.

Element 25 Managing Director Justin Brown said, “This is an exciting step for our company and our plans to deliver expanded operations at Butcherbird to meet our customers’ needs and as part of our HPMSM development. Implementing autonomous mining at Butcherbird has many productivity, safety and environmental benefits and we are thrilled to be partnering with Scania and Regroup to deliver this.”

Scania Australia Managing Director Manfred Streit said, “Scania in Australia has been working closely with several partners in the local mining industry over recent years to finesse our autonomous truck programme in advance of this announcement. “We are delighted that this historic event, the first order globally for a fleet of Scania’s new autonomous trucks has been made by a privately-owned Australian company, which will provide these trucks for use in an Australian mining environment.”



Figure 1. Scania CEO Christian Levin, ReGroup CEO Michael Still and Element 25 Managing Director Justin Brown at Scania in Sweden.

Regroup, a fully integrated civil, mining and bulk commodities haulage partner, sees the autonomous truck fleet as the first critical stage in its path towards a zero-tailpipe emissions mining fleet future.

Regroup Managing Director Michael Still said, “Along with Scania, we are excited to be establishing our first fleet of autonomous vehicles in the Australian mining industry. It is not lost on us that we are able to collaborate with one of our key and long-standing partners in Element 25 as we look to roll this solution out across its site. We have always been aligned in our values in supporting industry innovation and the electrification of the global vehicle fleet. It is great that we can demonstrate this on-site.

“We see the autonomous Scania fleet also reducing our diesel consumption, as we're moving from a larger capacity fleet of 100-200 tonne vehicles to a smaller class unit, and from a decarbonisation perspective, we're burning less fuel on site, so we're reducing our impact on the environment to achieve the same commercial result.”

ABOUT SCANIA

Scania is a world-leading provider of transport solutions. Together with its partners and customers, it is driving the shift towards a sustainable transport system. In 2023, it delivered 91,652 trucks, 5,075 buses as well as 13,871 industrial and marine power systems to customers. Net sales totalled more than \$30 billion, of which about 20 percent were services related. Founded in 1891, Scania now operates in more than 100 countries and employs some 58,000 people. Research and development is carried out globally with its main site in Södertälje, Sweden. Production takes place in Europe and Latin America with regional product centres in Africa, Asia and Eurasia. Scania is part of TRATON GROUP. For more information visit: www.scania.com.

ABOUT RE:GROUP

For more than 15 years, Re:Group has solidified its reputation as a trusted leader in Australia's mines, delivering holistic mining solutions that span the entire lifecycle of a project—from initial excavation through to resource exportation.

Its journey began with a goal to proactively respond to the dynamic needs of the industry. This vision drove its evolution, transforming it into one of the region's key mining solution providers. It has since continuously expanded its capabilities to include a wide range of services that cover every phase of mining operations.

ABOUT ELEMENT 25

Element 25 is an ASX-listed company (ASX: **E25**) that operates the world-class 100%-owned Butcherbird Manganese Project in Western Australia and is currently undertaking activities to expand production to approximately 1.1Mtpa² of medium-grade high silica manganese ore for use in traditional and new energy markets.

E25 is also commercialising innovative proprietary technology to produce battery-grade high-purity manganese sulphate monohydrate (**HPMSM**) for use in Electric Vehicle (**EV**) battery manufacturing. The Company plans to build its first HPMSM refinery in Louisiana, USA to produce raw materials for the US EV market, in partnership with General Motors LLC (**GM**) and Stellantis N.V. (**Stellantis**)³. E25 aims to become an industry leading, world class, low-carbon battery materials manufacturer.

² E25 ASX Release dated 23 January 2024

³ E25 ASX Releases dated 9 January 2023 and 26 June 2023

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

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

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**Competent Persons Statement**

The Company confirms that in the case of estimates of Mineral Resources or Ore Reserves, all material assumptions and technical parameters underpinning the estimates in the market announcement dated 27 September 2024 continue to apply and have not materially changed. The Company confirms that no new information or data materially affects the information included in previous announcements, and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Investor Relations Disclaimer

Certain Statements included in this announcement are forward-looking statements concerning Element 25 Limited and its subsidiaries (E25) and its operations, economic performance, financial condition, plans and expectations. Without limiting the foregoing, statements including the words "believes", "anticipates", "plans", "expects", "could", "potential", "should" and similar expressions are also forward-looking statements.

All forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied, including, without limitation, business integration risks; uncertainty of production, development plans and cost estimates, commodity price fluctuations; political or economic instability and regulatory changes; currency fluctuations, the state of the capital markets, uncertainty in the measurement of mineral reserves and resource estimates, E25's ability to attract and retain qualified personnel and management, potential labour unrest, reclamation and closure requirements for mineral properties; unpredictable risks and hazards related to the development and operation of a mine or mineral or mineral deposit or mineral processing facility that are beyond E25's control, the availability of capital to fund all of the Company's projects and other risks and uncertainties.

You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. E25 cannot assure you that actual events, performance or results will be consistent with these forward-looking statements, and management's assumptions may prove to be incorrect. E25's forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and E25 does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, you should not place undue reliance on forward-looking statements.