

## Water Bore Pump Tests Confirm Process Water Supply at Butcherbird

Element 25 Limited (E25 or Company) (ASX:E25) is pleased to announce that pump testing of a water production bore completed within a shallow (6 - 16m depth) aquifer at the Butcherbird Project has confirmed sufficient process water supply for planned production at the Company's 100% Butcherbird Manganese Project (Project).

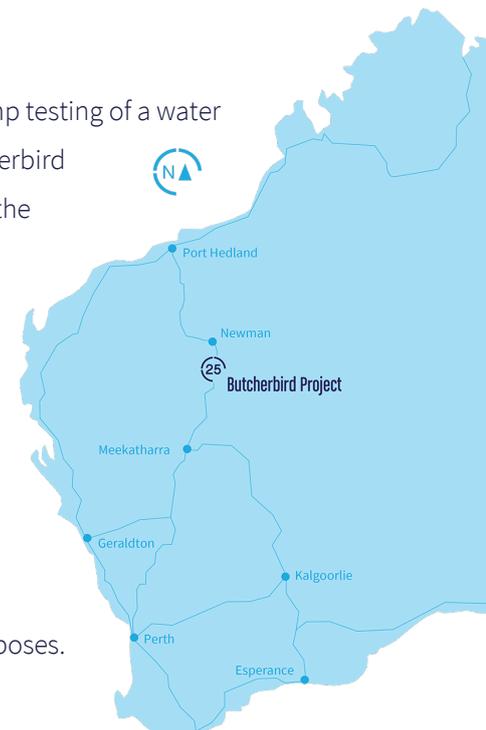
Yields from the aquifer were higher and depths were shallower than previously assumed potentially allowing sufficient water to be recovered from fewer, shallower bores, thereby reducing capital and operating costs for the borefield.

A number of standard pump tests were conducted to test the aquifer potential. The results from the step test and constant rate tests were analysed using the Cooper-Jacob Method for unconfined aquifers. After analysis of the results, a transmissivity at the BBPB03 site of 1,000 m<sup>2</sup>/day was adopted for modelling purposes.

The next phase of work is to undertake groundwater flow modelling to analyse a number of potential borefield designs including the following possible pumping scenarios:

- 4 x 15 l/sec for 6 months, dropping to 25 l/sec total;
- 3 x 15 l/sec for 6 months, dropping to 25 l/sec total; and
- Long term pumping rates of 45 l/s to support a future expansion in concentrate production.

E25 Managing Director Mr Justin Brown commented, "Confirmation of the availability of sufficient process water from shallow, high yield, low salinity aquifers at the Butcherbird Project is an important de-risking step for Project development, which remains on time and on budget."



### Company Snapshot

<p>ASX Code: E25</p> <p>Shares on Issue: 116M</p> <p>Share Price: \$0.41</p> <p>Market Capitalisation: \$47.6M</p>	<p><b>Board of Directors:</b></p> <p>Seamus Cornelius Chairman</p> <p>Justin Brown MD</p> <p>John Ribbons NED</p>	<p>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.</p>
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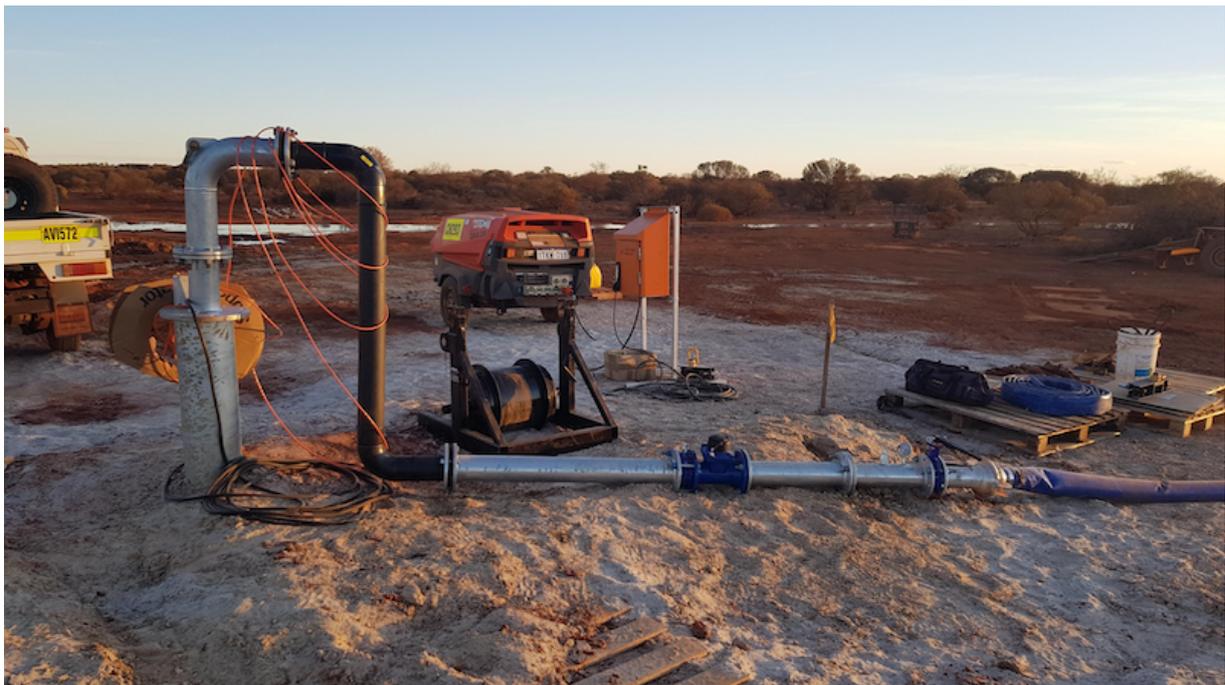
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Figure 1: Water test bore drilling programme.



Figure 2: Pump Testing equipment set up to test aquifer yield potential.



Samples from test bore BBPB03 were analysed for salinity with the test results shown in Table 1. The groundwater is classified as Marginal Potable, with a salinity of 1,200 mg/L Total Dissolved Solids (TDS). This is ideally suited to the proposed processing method at the Project.

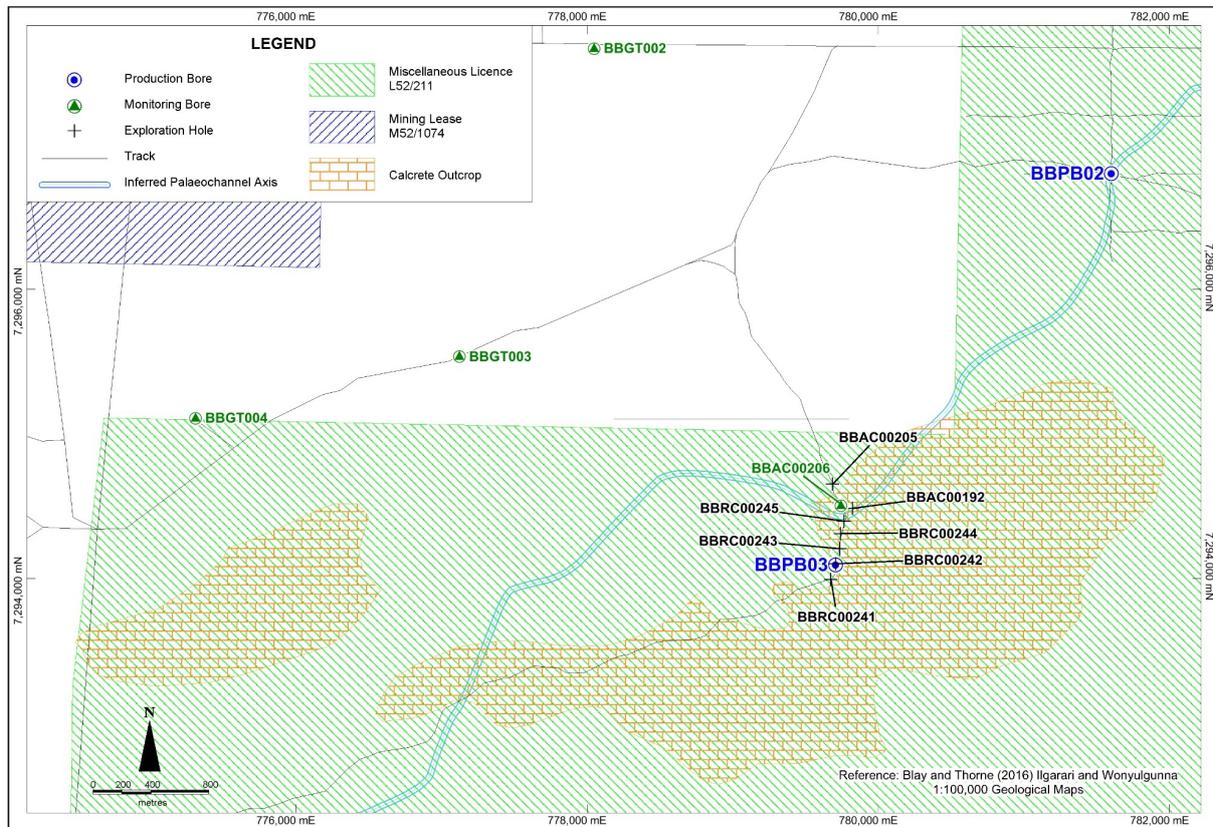
Table 1: Groundwater Chemistry Summary

Bore ID	Sample Depth	Sample Date	EC (field) (uS/cm)	Calc TDS (mg/L)	Measured TDS (mg/L)
BBPB03	11	12-July 20	1792	1201	1200

Table 2: Water bore, monitoring bore and water exploration drillhole collar locations.

Bore ID	Easting	Northing	Hole Depth	Purpose
BBRC00241	779675	7293991	16	Water Exploration
BBRC00242	779711	7294101	16	Water Exploration
BBRC00243	779739	7294205	16	Water Exploration
BBRC00244	779744	7294308	16	Water Exploration
BBRC00245	779768	7294395	16	Water Exploration
BBPB03	779724	7294185	12	Water Production

Figure 3: Collar locations of water exploration drillholes, test bores and monitoring bores.



## 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 ore<sup>1</sup>. The Company has recently completed a Pre-Feasibility Study with respect to developing the deposit to produce manganese concentrate for export to generate early cashflow with a modest capital requirement<sup>2</sup>. The outstanding economics and low capital hurdle of less than A\$15 million will allow the Company to develop the project in a relatively short timeframe.

This is envisaged as the first stage of a staged ramp up for the project and has the advantage of potentially providing early cashflow to strengthen the Company's balance sheet and assist in funding of the larger high purity manganese production hub which is the subject of a parallel, complimentary work stream.

The Project straddles the Great Northern Highway and the Goldfields Gas Pipeline providing turnkey logistics and energy solutions. The Company is also intending to integrate renewable energy into the power solution to minimise the carbon intensity of the Project as well as reducing energy costs. A cleaner, lower carbon flowsheet and high penetration renewable energy will place Butcherbird at the forefront of sustainable metal 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
<b>Total</b>	<b>263</b>	<b>10.0</b>	<b>20.8</b>	<b>11.4</b>	<b>5.9</b>

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)

## 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 categories<sup>3</sup>.

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
<b>Total</b>	<b>50.6</b>	<b>10.3</b>	<b>5.21</b>	<b>4.27</b>

<sup>1</sup> Reference: Company ASX release dated 17 April 2019.

<sup>2</sup> Reference: Company ASX release dated 19 May 2020

<sup>3</sup> Reference: Element 25 Limited Reserve Statement lodged with ASX 19 May 2020.

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.