

E25 & NISSAN CHEMICAL CORPORATION COMPLETE SCOPING STUDY FOR TOKYO BAY HPMSM FACILITY

Element 25 Limited (**E25** or **Company**) (**ASX: E25; OTCQX: ELMTF**) is pleased to provide an update regarding the non-binding Memorandum of Understanding (**MoU**) with **Nissan Chemical Corporation (NC)** and **NC Tokyo Bay Corporation (NCTB)** to complete a Feasibility Study (**FS**) into a battery grade High Purity Manganese Sulphate Monohydrate (**HPMSM**) facility to be located at the existing NCTB site in Chiba prefecture, Japan (**Facility**)¹.

In accordance with the MoU, the parties have now completed a high-level scoping study (**Study**) to examine the potential for E25 to construct the Facility at the Tokyo Bay site. The Study examined a range of factors, including permitting, logistics, reagent supply, labour, capital and operating costs. The Study used the detailed information available from E25's HPMSM Louisiana Project and utilised local knowledge about the Japanese market to factorise costs where direct estimates were not available.

Pleasingly, the Study confirmed the potential feasibility of the Facility and identified no fatal flaws. The MoU parties have agreed to proceed to a more detailed investigation of the project in accordance with the terms of the MoU.

About the key synergies with NCTB:

A number of key synergies can be realised by co-locating E25's low-emission² technology and process at NCTB, including:

- NCTB operates a sulphuric acid plant at the Chiba production facility, which can supply acid to the proposed project.
- NCTB has substantial ancillary infrastructure, utilities and services that can be provided to the HPMSM project.
- NCTB is located in Tokyo Bay and has private berths that can handle both liquid and bulk cargo, providing important logistics solutions.

¹ E25 Company ASX Release dated 3 September 2024



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The MoU outlines initial terms between E25, NC and NCTB to evaluate the potential to jointly develop the Facility to be located on existing industrial land at the NCTB Chiba site, with final details of the plan, including timeframe and funding, to be determined once a feasibility study has been completed.

The MoU outlines several key steps, including the identification of potential engineering, procurement and construction (**EPC**) contracts, the finalisation of offtake agreements and the securing of sufficient project finance to reach a targeted final investment decision (**FID**) date of June 2026.

THE PROPOSED CHIBA SITE

The NCTB site in Chiba offers some unique opportunities for the co-location of an HPMSM facility. In addition to the production of sulphuric acid at the Chiba site, NC also produces sulphuric acid at both their Aichi and Toyama prefecture facilities, as well as other key reagents at the Toyama prefecture facility, all key inputs into the E25 process.

NCTB also generates CO₂-free steam via an established steam generator attached to the acid plant. Steam can be supplied to the Facility without the requirement for significant additional capital works. All other required utilities, including natural gas, water, and sewer services are also available at the NCTB site, in addition to substantial ancillary infrastructure and services.

HPMSM IN JAPAN

Automotive Industry

Japan has a long and proud history of automotive excellence, including the production of hybrid and Electric Vehicles (**EVs**). A number of leading EV battery and precursor manufacturers are also based in Japan. Japan, like many other countries, has designated manganese as a critical mineral and has legislated incentives to establish battery-related industries in Japan. Manganese is becoming an increasingly important input into EV batteries as the technology shifts away from nickel-rich chemistries to high manganese and LMFP (manganese-doped LFP) cathodes. This transition is expected to generate increased demand for high-purity manganese chemicals for use in the production of these batteries as the EV transition accelerates.

ABOUT NISSAN CHEMICAL AND NC TOKYO BAY

Nissan Chemical Corporation is developing new products and businesses by utilising its core technologies as a chemical company with a corporate vision of becoming a corporate group that *“contributes to the protection of the global environment and the existence/ development of humanity, offering the value sought by society.”*

For more details, please visit <https://www.nissanchem.co.jp>

NC Tokyo Bay Corporation was originally established in 1967 as Nippon Phosphoric Acid Co. to contribute to the domestic agricultural food production industry. Since 1 April 2023, NCTB has been a wholly owned subsidiary company of NC. As a sulfuric acid manufacturer that uses molten sulphur, NCTB has been an important supplier to various industry fields.

² E25 Company ASX Release dated 21 February 2023

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 1.1Mtpa of medium-grade high silica manganese ore for use in traditional and new energy markets³.

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**)⁴. E25 aims to become an industry-leading, world-class, low-carbon battery materials manufacturer.

The Louisiana refinery is planned as the first of several HPMSM facilities planned for development under E25's "Design One Build Many" commercialisation strategy, which envisages a hub and spoke model, with ore supplied from E25's Butcherbird Mine in Western Australia to supply processing facilities in key regional markets to supply HPMSM to the rapidly growing EV servicing key global regions.

The addition of a potential HPMSM Facility site in Chiba prefecture in Japan in partnership with Nissan Chemical is another exciting step forward in realising the Company's strategic plan.

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 Production Targets, all material assumptions underpinning the production target, or the forecast financial information derived from a production target, in the market announcement dated 22 January 2025 continue to apply and have not materially changed. All estimates of Mineral Resources or Ore Reserves underpinning the production target have been prepared by a competent person or persons in accordance with the requirements of the JORC Code, Appendix 5A.

The Company confirms that in the case of Mineral Resource or Ore Reserves, all material assumptions and technical parameters underpinning the estimates in the market announcements dated 29 October 2024 and 22 January 2025 continue to apply and have not materially changed.

The Company confirms that it is not aware of any new information or data that materially affects 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.

³ E25 Company ASX Release dated 23 January 2024

⁴ E25 Company ASX Releases dated 9 January 2023 and 26 June 2023

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.

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