

MARCH 2025 QUARTERLY REPORT

QUARTERLY HIGHLIGHTS

Butcherbird Manganese Operations - Western Australia, Australia

- Butcherbird Expansion Project receives final regulatory approval to proceed, following formal Works Approval from WA Department of Water and Environmental Regulation (**DWER**).
- Project now fully approved under WA Regulatory Framework to construct 1.1Mtpa manganese concentrate production operation after earlier approval for Mining Proposal and Mine Closure Plan from WA Department of Energy, Mines, Industry Regulation and Safety (**DEMIRS**)¹.
- Updated Butcherbird Expansion Feasibility Study confirms outstanding metrics².
- Butcherbird manganese concentrate will be the primary feedstock for E25's planned battery grade, high purity manganese sulphate monohydrate (**HPMSM**) processing facility in Louisiana, USA.
- E25 will also sell Butcherbird manganese concentrate product to customers in the manganese alloy and steel industries.

Battery Grade High Purity Manganese (HPMSM) Development – Louisiana, USA

- E25's planned HPMSM facility in Louisiana formally awarded US\$166 million (A\$268M)³ U.S. Department of Energy (**DoE**) grant.
- Grant is in addition to US\$115 million (A\$185 million) in project funding secured from GM and Stellantis⁴.

MoU with Nissan Chemical Corporation for Tokyo Bay HPMSM development

- High-level Scoping Study for Tokyo Bay HPMSM development, examining factors including permitting, logistics, reagent supply, labour, capital and operating costs completed.
- MoU parties agreed to proceed to a more detailed Pre-Feasibility Study in accordance with MoU terms.

¹ E25 ASX Announcement dated 13 January 2025

² E25 ASX Announcement dated 22 January 2025

³ USD:AUD conversion rate 0.62. Reference: www.xe.com

⁴ E25 ASX Announcements dated 9 January and 26 June 2023

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BUTCHERBIRD MANGANESE PROJECT, WA

E25's planned expansion of its 100%-owned Butcherbird Manganese Mine in Western Australia to 1.1Mpta⁵ manganese concentrate production received the final statutory approval from the WA Department of Water and Environmental Regulation (**DWER**), meaning the Butcherbird Expansion Project (**BBX / Project**) is fully approved under the Western Australian mining regulatory framework⁶.

An updated Feasibility Study for the **Project** released in January 2025⁷ estimated a capital cost of A\$64.8M with a pre-tax Net Present Value (**NPV**) of A\$561M with a 96% pre-tax Internal Rate of Return (**IRR**), generating an average of A\$70.5M per year cashflow over a mine life of more than 18 years.

Receipt of the Works Approval followed approval of BBX's Mining Proposal and Mine Closure Plan by WA Department of Energy, Mines, Industry Regulation and Safety (**DEMIRS**) as announced in January 2025⁸ and enables construction to commence for the Butcherbird Expanded Project processing facility.

All other required approvals and access agreements are in place and established from Butcherbird's Stage 1 pilot operations including water abstraction, heritage clearances, Native Title and pastoral agreements.

This final approval strengthens E25's expansion plans and the Company will continue to finalise funding for BBX.

HPMSM REFINERY PROJECT – LOUISIANA, USA

In January 2025, E25 announced formal awarding and signing of a Grant Agreement for US\$166 million (A\$268 million) in grant funding from the U.S. Department of Energy (**DoE**) under the Battery Materials Processing Grant Program⁹. This will support construction of E25's proposed battery-grade high-purity manganese sulphate monohydrate (**HPMSM**) facility in Louisiana, USA, which will bring domestic production of a key critical battery raw material to the USA.

The grant award is in addition to the US\$115 million already committed by offtake partners General Motors LLC (**GM**) and Stellantis N.V. (**Stellantis**)¹⁰.

The grant application was submitted under the DoE's Battery Materials Processing Grant Program of the Office of Manufacturing and Energy Supply Chains, which is funded by the Bipartisan Infrastructure Law. The program is designed to provide grants for battery materials processing to ensure that the United States has a viable battery materials processing industry. The grant forms a key component of E25's financing strategy, and its execution team will now work to finalise the project schedule, subject to grant finalisation.

E25 plans to produce HPMSM from manganese ore sourced from its Butcherbird mine in Western Australia, which it will ship to Louisiana. It has developed an innovative, advanced processing flowsheet to convert Butcherbird manganese concentrate into HPMSM, a critical raw material for the manufacture

⁵ E25 ASX Announcement dated 22 January 2025

⁶ E25 ASX Announcement dated 12 March 2025

⁷ E25 ASX Announcement dated 22 January 2025

⁸ E25 ASX Announcement dated 13 January 2025

⁹ E25 ASX Announcement dated 20 January 2025

¹⁰ E25 ASX Announcements dated 9 January and 26 June 2023

of lithium-ion batteries. The proprietary flowsheet reduces energy consumption, virtually eliminates waste and delivers the lowest reported carbon intensity HPMSM globally¹¹.

E25's process offers a pathway to the delivery of expanding volumes of ethically sourced, traceable, transparent HPMSM supply to US markets. E25 plans to produce up to 135Kt per annum of HPMSM for US electric vehicle (**EV**) supply chains in a facility that is a first-of-its-kind processing facility in Louisiana.

The grant comprises a total of US\$166,128,094 funding, broken into five budget periods, each relating to a staged phase of project execution. The structure of the grant is predicated on matching funding (cost-share) being provided by the Company for a total of US\$166,128,095 in cost-share. The grant agreement outlines the tasks and milestones required for each budget period with associated reporting and approval requirements.

The milestones and stage gates were agreed between the DoE contracts team and the Company as part of the grant negotiation and award process, subsequent to the announcement that the project had been selected for the grant award.

The project is expected to create 400 jobs during construction and 144 full-time ongoing roles once production commences.

E25 is co-ordinating a process to secure the balance of funding for the project's construction costs, which were estimated in the Company's HPMSM Feasibility Study at US\$289 million¹².

SCOPING STUDY FOR TOKYO BAY HPMSM FACILITY

Following signing a 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 HPMSM facility located at the existing **NCTB** site in Chiba prefecture, Japan (**Facility**)¹³, parties completed a high-level scoping study (**Study**) to examine the potential for E25 to construct the Facility at the Tokyo Bay site¹⁴.

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.

¹¹ E25 ASX Announcement dated 21 February 2023

¹² E25 ASX Announcement dated 12 April 2023

¹³ E25 ASX Announcement dated 3 September 2024

¹⁴ E25 ASX Announcement dated 3 April 2025

CORPORATE

During the quarter, E25 utilised its At-the-Market Subscription Agreement (ATM) with Acuity Capital Investment Management Pty Ltd (Acuity Capital)¹⁵, to raise A\$2,850,000 (inclusive of costs) by agreeing to issue 8,700,000 fully paid ordinary E25.ASX shares to Acuity Capital at an issue price of A\$0.3275 per share. Funds were put towards E25's working capital.

ASX ADDITIONAL INFORMATION

The ASX Appendix 5B quarterly report covering the quarter is attached and lodged with this report.

In accordance with ASX Listing Rule 5.3.5, payments to the Company's related parties and associates during the quarter totalled \$188,000 comprising salary, directors' fees, consulting fees, and superannuation.

In accordance with ASX Listing Rule 5.3.1, payments relating to Mining Exploration for the quarter totalled \$178,000.

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 markets¹⁶.

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**)¹⁷. 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.

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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¹⁵ E25 ASX Release dated 30 January 2025

¹⁶ E25 ASX Release dated 22 January 2025

¹⁷ E25 ASX Releases dated 9 January 2023 and 26 June 2023

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.

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.

TENEMENT INFORMATION FOR QUARTERLY REPORT - 31 MARCH 2025

Tenement reference	Location	Interest at beginning of quarter	Acquired/ Disposed	Interest at end of quarter
E20/659	Eelya Hill WA	10%	N/A	10%
E52/1529	Mt Padbury WA	100% (Note 1)	N/A	100% (Note 1)
E52/2350	Butcher Bird WA	100%	N/A	100%
E52/3606	Yanneri Bore WA	100%	N/A	100%
E52/3706	Yanneri Pool WA	100%	N/A	100%
E52/3735	Limestone Bore WA	100%	N/A	100%
E52/3769	Kumarina WA	100%	N/A	100%
E52/3779	Beyondie Bluff WA	100%	N/A	100%
E52/3858	Yanneri Well WA	100%	N/A	100%
E52/4064	Neds Gap WA	100%	N/A	100%
E52/4149	Neds Gap WA	100%	N/A	100%
E52/4358	Butcherbird North WA	100%	N/A	100%
E52/4417	Weelarrana WA	100%	N/A	100%
E52/4441	701 Mile WA	0%	Acquired	100%
L52/211	Limestone Bore WA	100%	N/A	100%
L52/215	Butcherbird East 1 WA	100%	N/A	100%
L52/216	Butcherbird East 2 WA	100%	N/A	100%
L52/217	Butcherbird East 3 WA	100%	N/A	100%
L52/218	Butcherbird East 4 WA	100%	N/A	100%
L52/220	Butcherbird East 5 WA	100%	N/A	100%
L52/221	Butcherbird East 6 WA	100%	N/A	100%
L52/225	Butcherbird East 7 WA	100%	N/A	100%
L52/254	Butcherbird North WA	100%	N/A	100%
L52/255	Butcherbird North WA	100%	N/A	100%
L52/256	Butcherbird North WA	100%	N/A	100%
L52/257	Butcherbird North WA	100%	N/A	100%
L52/258	Butcherbird East WA	100%	N/A	100%
L52/269	Kumarina WA	100%	N/A	100%
L52/273	Kumarina WA	0%	Acquired	100%
L52/274	Kumarina WA	0%	Acquired	100%
L52/275	Butcherbird North WA	0%	Acquired	100%
L52/276	Butcherbird East WA	0%	Acquired	100%
M52/1074	Yaneri Ridge WA	100%	N/A	100%
E57/1060	Victory Well WA	20%	N/A	20%
E63/2027	Lake Johnston WA	100%	N/A	100%
E63/2429	Lake Johnston WA	100%	N/A	100%

Notes: (1) 100% interest held in all minerals other than iron ore and manganese.

Table 1: Tenement Information for Quarterly Report to 31 March 2025

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Element 25 Limited

ABN

46 119 711 929

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	184
1.2 Payments for		
(a) exploration & evaluation	-	(94)
(b) development	-	-
(c) production	(130)	(1,056)
(d) staff costs	(427)	(1,015)
(e) administration and corporate costs	(146)	(1,559)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	9	55
1.5 Interest and other costs of finance paid	(10)	(19)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Payment for HPMSM development	-	-
1.8 Other - Movement of cash previously classified as non-restricted	-	-
1.9 Net cash from / (used in) operating activities	(704)	(3,504)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(178)	(621)
(c) property, plant and equipment	(2,408)	(6,514)
(d) exploration & evaluation	-	-
(e) investments	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(2,586)	(7,135)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,850	3,493
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(18)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease payments)	(97)	(292)
3.10	Net cash from / (used in) financing activities	2,753	3,183

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,616	11,327
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(704)	(3,504)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,586)	(7,135)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,753	3,183

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(9)	199
4.6	Cash and cash equivalents at end of period	4,070	4,070

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,070	4,616
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,070	4,616

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	188
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(704)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(704)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,070
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,070
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.78
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 17 April 2025

'Signed electronically'

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
6. By the Company lodging this Appendix 5B, the Managing Director and CFO declare that the Appendix 5B for the relevant quarter:
 - presents a true and fair view, in all material respects, of the cashflows of the Company for the relevant quarter and is in accordance with relevant accounting standards;
 - the statement given above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
 - the Company's financial records have been properly maintained and the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.