

ELEMENT 25 EXTENDS MULTI-MILLION FUNDING FACILITY AT THE MARKET SUBSCRIPTION AGREEMENT

Element 25 Limited (**Element 25, E25 or Company**) (**ASX: E25; OTCQX: ELMTF**) is pleased to announce that it has extended the At-the-Market Subscription Agreement (**ATM**) with Acuity Capital Investment Management Pty Ltd (**Acuity Capital**) to provide Element 25 with up to AU\$30 million of standby equity capital over the coming 36 month period. This standby facility may be used to fund the expansion of the Butcherbird Project, working capital and to fund Company growth.

The Butcherbird Expansion Project (**BBX**) is designed to increase Butcherbird's production capacity to 1.1 million tonnes per annum with the January 2025 Feasibility Study¹ update estimating a capital cost of AU\$64.8 million with a pre-tax Net Present Value (NPV) of AU\$561 million and 96% pre-tax Internal Rate of Return (IRR)

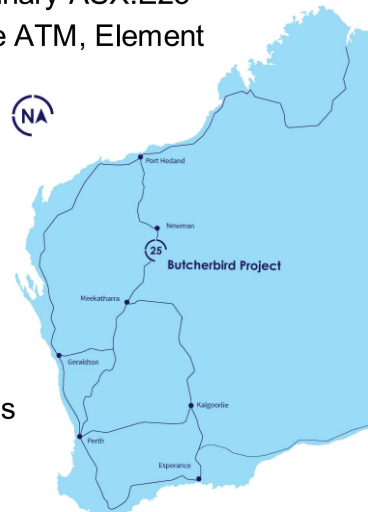
Under the ATM, Element 25 has full discretion as to whether or not to utilise the ATM, the maximum number of shares to be issued, the minimum issue price of shares and the timing of each subscription (if any). There are no requirements on Element 25 to utilise the ATM and the Company may terminate the ATM at any time, without cost or penalty.

Acuity Capital and the ATM do not place any restrictions on Element 25 raising capital through other methods. If Element 25 does decide to utilise the ATM, it is able to set a floor price (at its sole discretion) and the final issue price will be calculated as the greater of that floor price set by Element 25 and up to a 10% discount to a Volume Weighted Average Price (**VWAP**) over a period of Element 25's choosing (again, at the sole discretion of Element 25).

As security for the ATM, the Company has previously placed 9,500,000 fully paid ordinary ASX:E25 shares to Acuity Capital at nil cash consideration. Upon termination or maturity of the ATM, Element 25 may buy back (and cancel) the shares placed as security for nil cash consideration (subject to shareholder approval).

BUTCHERBIRD MANGANESE PROJECT

Element 25's Butcherbird Manganese Project is a world-class manganese resource with current JORC resources of more than 260Mt of manganese ore². The Project straddles the Great Northern Highway and the Goldfields Gas Pipeline, providing turnkey logistics and energy solutions. The Company has previously reported that it is in the process of expanding the Project to target 1.1Mtpa manganese concentrate production³.



¹ E25 ASX Announcement dated 22 January 2025

² E25 ASX Announcement dated 17 April 2019

³ E25 ASX Announcement dated 22 January 2025

Element 25 Limited

Level 1, Building B, Garden Office Park,
355 Scarborough Beach Road,
Osborne Park 6017, Western Australia, Australia

ABN: 46 119 711 929
T: +61 8 6375 2525
E: admin@e25.com.au
W: element25.com.au

The Company released an updated Feasibility Study for the Butcherbird Expansion Project in January 2025 outlining the production target of 1.1Mtpa (BBX FS)⁴. An updated Ore Reserve⁵ for Butcherbird mine delivered a 107% increase to 101.4Mt at 10.4% Mn for 10.54Mt contained manganese, underpinning the Project's robust, >18-year LOM operation at the planned 1.1 Mtpa production rate. The most recent Butcherbird Mineral Resource Estimate (MRE)⁶ increased 6% to 274Mt @ 10% Mn, with Measured and Indicated Resources increased 142% to 130Mt at 10.23% Mn. These updates are in line with Element 25's strategic plan.

The Company plans to expand production capacity at the Project to supply manganese concentrate to traditional steel markets and to supply feedstock for its proposed battery grade, high purity manganese sulphate monohydrate (HPMSM) processing facility planned to be built in Louisiana, USA.

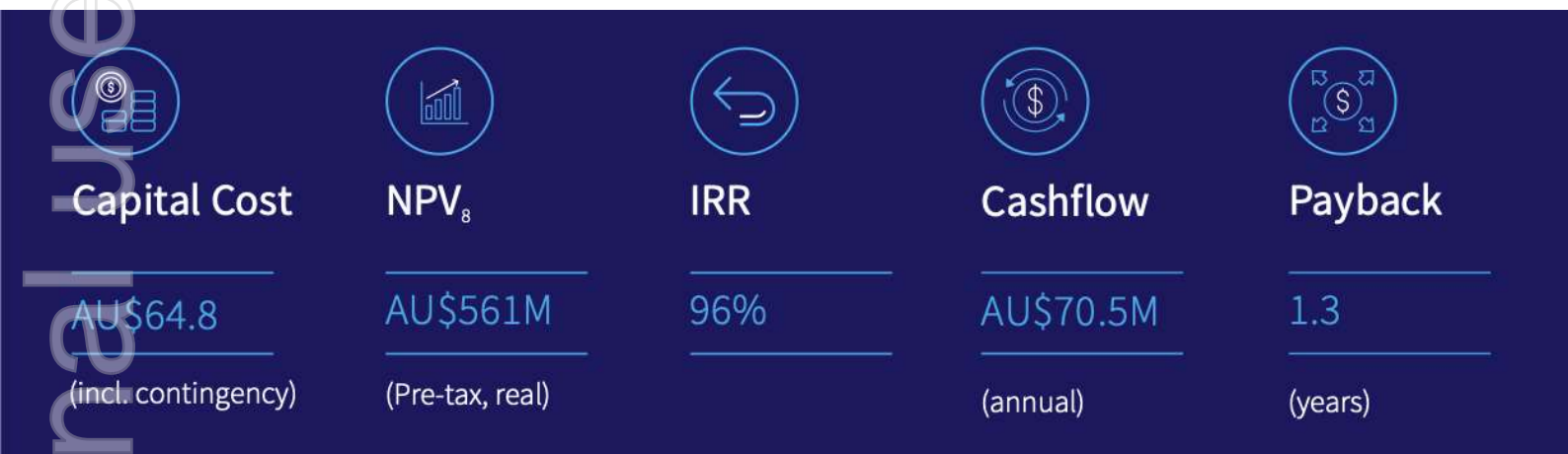


Figure 1. Butcherbird Expansion Project Feasibility Summary Results⁸.

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 markets⁷.

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**)⁸. 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,

⁴ E25 ASX Announcement dated 22 January 2025

⁵ E25 ASX Announcement dated 22 January 2025

⁶ E25 ASX Announcement dated 29 October 2024

⁷ E25 ASX Announcement dated 22 January 2025

⁸ E25 ASX Announcement dated 9 January 2023 and 26 June 2023

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.

Justin Brown

Managing Director

Email: admin@e25.com.au

Phone: +61 (8) 6375 2525

Media Inquiries:

Nathan Ryan

Email: nathan.ryan@nwrcommunications.com.au

Phone: +61 (0) 420 582 887

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.