

## ELEMENT 25 PROGRESSES BUTCHERBIRD EXPANSION PROJECT WITH SHORTLISTING FOR KEY CONTRACTS

### HIGHLIGHTS

- Element 25 is progressing works on its Butcherbird Expansion Project (**BBX**) in WA, which plans to increase manganese concentrate production to **1.1 million tonnes per annum (Mtpa)**<sup>1</sup>.
- The planned increased production will supply customers in the established ferroalloys (steel) market as well as securing long term feedstock for its proposed high purity manganese sulphate monohydrate (**HPMSM**) facility in Louisiana, USA.
- Leading consultancy SLR engaged to assist in technical and funding due diligence for BBX.
- Discussions with preferred offtake partner continue, with completion anticipated in Q1 CY2026.
- Element 25 expects to award BBX Construction Contract in April 2026, with applicants now shortlisted.
- Mining services contract with preferred partner anticipated to be awarded in Q1 CY2026; award of site services contract anticipated in Q2 CY2026.
- Manufacture of the logwasher, a key processing component, completed with shipment scheduled for late February 2026.
- Procurement of other key items including DMS drum, cyclone cluster, apron feeders, screens, conveyors and thickener progressing, with contracts expected to be awarded through February and March 2026 in line with the project plan.
- Element 25 targeting BBX mechanical completion and commissioning in Q1 CY2027.

Element 25 Limited (**E25, Element 25 or Company**) (**ASX: E25; OTCQX: ELMTF**) is pleased to provide a progress update on the Expansion Project at its 100% owned Butcherbird Manganese Mine (**Project**) in Western Australia (**WA**).

As previously reported, the Company is in the process of expanding the Project to a nominal **1.1Mtpa manganese concentrate production**<sup>1</sup>, based on an updated January 2025 Feasibility Study<sup>1</sup> and an updated Ore Reserve of 101.4Mt at 10.4% Mn (10.54Mt contained manganese)<sup>2</sup>, supporting an 18+ year LOM at the planned rate. Butcherbird's planned increased production will enable it to supply feedstock to its planned high purity manganese sulphate monohydrate (**HPMSM**) facility in Louisiana, USA as well as traditional steel markets.

<sup>1</sup> E25 ASX Announcement dated 22 January 2025  
<sup>2</sup> E25 ASX Announcement dated 22 January 2025

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Capital Cost	NPV <sub>8</sub>	IRR	Cashflow	Payback
AU\$64.8 (incl. contingency)	AU\$561M (Pre-tax, real)	96%	AU\$70.5M (annual)	1.3 (years)

Figure 1. Butcherbird Expansion Project Feasibility Summary Results<sup>8</sup>.

The Company has progressed a number of key components for the Butcherbird Expansion Project (BBX), underpinned by strong engagement with key stakeholders and contractors. Element 25 is implementing robust project management practices to ensure transparent communication, timely consultation, and alignment of stakeholder expectations throughout the project lifecycle. Collaborative partnerships with contractors are being fostered through a structured procurement process, with regular assessment of contractor proposals based on experience, capability, and value for money.

Element 25 is closely tracking project milestones and deliverables to maintain schedule integrity and mitigate potential risks. This integrated approach supports effective issue resolution, informed decision-making, and the successful achievement of project expansion objectives. The Company remains committed to best-practice engagement and the delivery of long-term value for all stakeholders involved in the Butcherbird Expansion Project.

This announcement provides a high-level progress summary on a number of key project components. Element 25 will continue to share updates on BBX as developments are finalised.

## PROJECT FINANCE

As announced in June 2025<sup>3</sup> the Northern Australia Infrastructure Facility (NAIF) has approved a **senior debt facility of up to AU\$50 million**, including **AU\$42.5 million in senior debt** and a **AU\$7.5 million cost overrun facility**, to support Element 25's Butcherbird Manganese Expansion Project in Western Australia's Pilbara region.

Element 25 has completed a comprehensive review of potential counterparties to secure the remaining funding required for BBX and has engaged the services of leading consultancy firm SLR to assist in finalising the due diligence process with NAIF and potential subordinated funders.

<sup>3</sup> E25 ASX Announcement dated 17 June 2025

SLR has been working closely with Element 25 to substantially complete the final stage of due diligence activities, ensuring that all financial, technical, and regulatory requirements are thoroughly reviewed in accordance with financiers' requirements.

**Note:** Target dates and milestones referenced in this announcement remain contingent on the Company successfully securing the balance of the required capital and reaching financial close with respect to the overall funding solution for the BBX Project in accordance with the project plan.

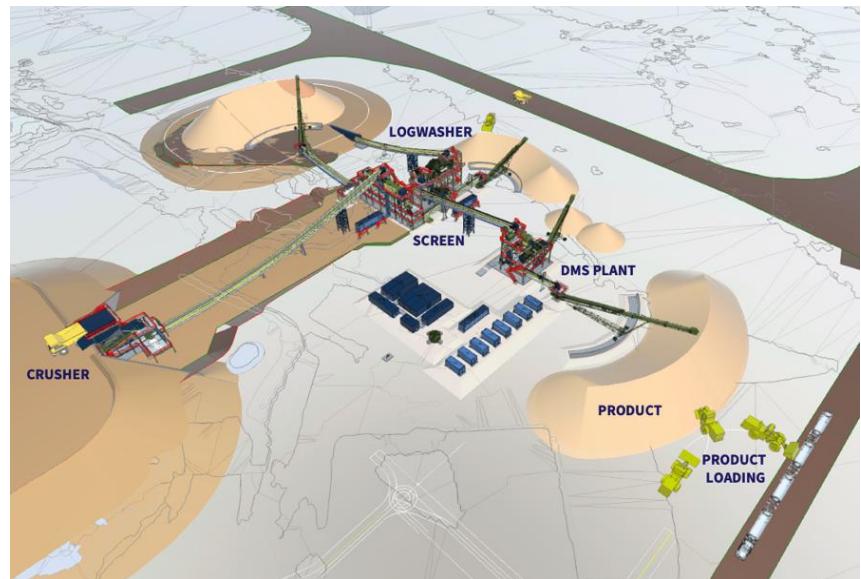
## KEY COMMERCIAL CONTRACTS

### Project Engineering (Altris)

Since its appointment as Lead Project Engineer in October 2025, Altris Engineering (**Altris**) and Element 25 have been working closely on several key project deliverables.

The project is progressing positively, with the following key deliverable being completed in recent weeks:

- Project Execution Plan has been finalised.
- A 30% process design review has been completed.
- Concrete and structural engineering detailed works are currently well progressed and on track.
- With the completion of the technical requirements and specification documents, several Request for Quotations (**RFQs**) have been released to the market.
- Procurement commenced for key long lead items.



### Construction Contract

Following the Construction Contract Expression of Interest (**EOI**) process, the Company has completed its review and shortlisted applicants.

The EOI formed part of Element 25's ongoing activities to progress BBX toward construction, following completion of detailed engineering and continued advancement of project financing and procurement activities previously disclosed to the market, with construction works covering three principal discipline areas: **civil and earthworks; structural, mechanical and piping; and electrical and instrumentation.**

The EOI identified suitably qualified construction contractors with the capability and capacity to deliver the BBX site construction works. Element 25's preferred contracting strategy is the engagement of a single head contractor responsible for managing the integrated construction scope, with specialist subcontractors engaged as required.

The current BBX high-level schedule anticipates award of construction scopes in April 2026, mobilisation in May 2026, and mechanical completion and commissioning in Q1 CY2027.

## Offtake

The Company has identified a preferred offtake partner for the increased production from the BBX Project. While discussions continue, the commercial terms of the offtake agreement are currently being finalised.

## Mining Services Contract

Following a comprehensive and competitive tender process, Element 25 has completed an extensive review of the short-listed candidates for the Mining Services contract. This process involved a thorough evaluation of each submission, with particular attention paid to the candidates' experience, operational capacity, and alignment with the broader objectives of the Project.

Having selected a preferred contractor based on these criteria, Element 25 will now finalise negotiations to finalise commercial arrangements in support of BBX.

The Company anticipates that the commercial contract for Mining Services will be executed by the end of Q1 CY2026, marking a key milestone for the Project.

## PROCUREMENT

### Crushing and Mineral Sizer Solutions (MMD)

Altris has worked closely with MMD to finalise the design of the MMD Plant and supporting structures. Designs for the Primary and Secondary Sizers are now complete, with fabrication of key components such as breaker shafts and gearboxes underway. MMD is currently focused on procuring materials to finish the sizer mainframe and case, and the MMD sizers are scheduled to ship to Australia in mid-2026, in line with the project's overall timeline.



### Logwasher (KISA)

The Company has been working closely with KISA to finalise the build and assembly of the logwasher, a critical component in the processing circuit of the Project. Over recent months, the collaboration has focused on ensuring the logwasher meets all technical specifications and operational requirements for the site. At present, KISA are completing their final quality assurance checks and functional testing are underway to confirm the logwasher's readiness for deployment. The logwasher is currently being



prepared for transport from KISA's factory, with shipment scheduled for late February. This timeline aligns with the broader procurement and construction schedule for the BBX project, supporting the planned mobilisation and mechanical completion targets. The Company remains in close communication with KISA to monitor progress, ensuring that the logwasher will be delivered and commissioned in line with project requirements.

## Main Plant Items

Following the successful completion of all technical requirements for the remaining main plant items, Element 25 has proceeded to release and shortlist the outstanding procurement packages to the market. These packages cover a range of essential equipment and components necessary for the ongoing development and operation of BBX. The current procurement scope includes:

- Apron Feeders
- Screens
- DMS Drum
- Conveyors
- Thickener
- Cyclone Cluster

Responses from the market have been encouraging, with a number of competitive proposals received from suppliers. The Company is undertaking a thorough evaluation and negotiation process with shortlisted vendors to ensure the selected solutions deliver technical excellence, reliability, and value for money.

It is anticipated that the procurement awards for these packages will be finalised and announced progressively throughout February and March, keeping the project on track for its mobilisation and mechanical completion targets.

## Core Operating Systems

Having identified and selected Microsoft Dynamics 365 as the Company's preferred Enterprise and Resource Planning (**ERP**) system, Element 25 has awarded contracts to Ray Business Technologies Pty Ltd and Barter Technologies Pty Ltd. The solution design and system architecture has been completed, with the new Finance and Operations environment being implemented, and development works currently underway. Phase 1 of the ERP release is scheduled for Q2 CY2026, with a complete transition to the new ERP scheduled for later this year prior to transition to operations.

The company are also engaging several key suppliers of other IT systems and applications to support the implementation of a pit to port data model of BBX operations. Both Ray Business Technologies and Barter Technologies will also work with the Company to implement Microsoft Fabric, Power BI and the latest AI technologies to enable and present a complete overview of BBX operations.

## Site Services Provider

Element 25 has undertaken an extensive procurement review for Site Services for the Butcherbird Expansion Project, taking a long-term perspective that extends well into the operations phase. Element 25 has shortlisted preferred service providers, each assessed for their ability to deliver ongoing value and reliability.

The Company will now commence a more intensive evaluation of these candidates and anticipates entering into an agreement with the preferred contractor in Q2 CY2026.

## PROJECT SCHEDULE UPDATE

The BBX Project schedule is dynamically maintained, with regular updates to reflect evolving contract arrangements, supplier engagement, completed tasks, and integration with the overarching project plan. This approach ensures that every stage of activity, whether forecasted, planned, in progress, or delivered, is carefully monitored and adjusted to keep the project advancing as intended.

Underpinned by a comprehensive work breakdown structure (**WBS**), the project management process identifies and manages the interdependencies between various tasks. The project team remains focused on upholding scheduled milestones and budget objectives, striving for efficient and effective delivery throughout the project's lifecycle.

BBX Project Schedule Summary				2025				2026				2027											
Quarter	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	
Month	J	F	M	A	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
<b>Major Milestones</b>																							
E25 Board FID																							
Commissioning Complete																							
Commercial Production																							
<b>Major Activities</b>																							
All Approvals and Permitting																							
Project Financing																							
Detailed Engineering Design																							
Engineering Procurement (MPI)																							
Logistics Procurement (MPI)																							
Camp Construction																							
Construction - Civil																							
Construction - SMP																							

## 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 markets<sup>4</sup>.

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**)<sup>5</sup>. 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.

<sup>4</sup> E25 ASX Release dated 22 January 2025

<sup>5</sup> 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](http://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 or 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.