ELEMENT 25 EXECUTES BINDING AU$50 MILLION NAIF FINANCE FACILITY AGREEMENT FOR BUTCHERBIRD EXPANSION

HIGHLIGHTS

- Binding agreement executed for AU$50 million finance facility from the Northern Australia Infrastructure Facility (**NAIF**) for the Butcherbird Expansion Project (**BBX**).
- Agreement comprises AU$42.5 million Term Facility and AU$7.5 million Cost Overrun Facility.
- Provides long-tenor, non-dilutive project finance and dedicated cost overrun support, materially advancing the Company's financing strategy for BBX.
- BBX is designed to expand the Butcherbird Manganese Project to approximately 1.1 million tonnes per annum of manganese concentrate production capacity[1].

Element 25 Limited (**E25, Element 25** or **Company**) (ASX: E25; OTCQX: ELMTF) is pleased to announce it has executed a definitive facility agreement for an AU$50 million financing package provided through the Northern Australia Infrastructure Facility (**NAIF**) to support its Butcherbird Expansion Project (**BBX**) in Western Australia.

Execution of the binding facility agreement represents a major project financing milestone and progresses the previously announced NAIF funding package[2] from commitment into an agreed contractual framework. The Company will now focus on satisfying the remaining conditions precedent to financial close and first drawdown.

Element 25 Managing Director Justin Brown said: *"Execution of the definitive NAIF facility agreement marks a major milestone for Element 25 and the Butcherbird Expansion Project. Reaching Contractual Close means the Project now has a binding financing framework and represents a significant de-risking event.*

We appreciate the strong support of NAIF and the Australian Government throughout the assessment and documentation process.

Butcherbird is a strategically important critical minerals project with the potential to support both traditional manganese markets and growing demand for battery materials. Achieving contractual close with NAIF is a significant step forward in unlocking that potential."

[1] E25 ASX Announcement dated 22 January 2025
[2] E25 ASX Announcement dated 17 June 2025

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KEY TERMS OF THE NAIF FACILITY

The executed facility agreement provides Element 25 with access to up to AU$50 million of long-term project financing to support development of BBX. Financial close and availability of the facilities remain subject to satisfaction or waiver of the applicable conditions precedent to the agreement. A summary of the key commercial terms are as follows:

TERM	SUMMARY
Total Facility	Up to AU$50.0 million
Term Facility	AU$42.5 million
Cost Overrun Facility	AU$ 7.5 million
Borrower	Butcherbird Operations Pty Ltd
Purpose	Eligible project costs and permitted operating costs during development and ramp-up, financing costs, reserve account funding and approved cost overruns
Term Facility tenor	11 years from financial close
Cost Overrun Facility tenor	3 years from financial close
Availability	Subject to satisfaction or waiver of applicable conditions precedent
Security	Senior secured project finance facility

PROJECT FINANCING BENEFITS

The financing package provides Element 25 with long-term, non-dilutive capital and materially reduces the Company's immediate equity funding requirement for BBX. The dedicated AU$7.5 million cost overrun facility provides an additional source of funding for approved project cost increases and contingencies during development and ramp-up.

The 11-year Term Facility tenor from financial close supports project development, commissioning, operational ramp-up and subsequent cash generation over an extended period. Together, the tenor and dedicated contingency facility enhance funding resilience and provides a strong foundation for the next phase of project delivery.

The package supports Element 25's strategy to expand Butcherbird to approximately 1.1 million tonnes per annum of manganese concentrate production capacity[3] and supply manganese products to traditional industrial markets and emerging battery materials supply chains.

REMAINING CONDITIONS PRECEDENT

The Company is progressing the remaining conditions precedent to financial close and first drawdown, including implementation of the agreed project finance and security structure, establishment of project account arrangements, satisfaction of financing and compliance deliverables, and confirmation of committed funding required for project completion. Following satisfaction or waiver of the applicable conditions precedent, the facilities will become available for drawdown in accordance with their respective terms.

ABOUT THE BUTCHERBIRD EXPANSION PROJECT

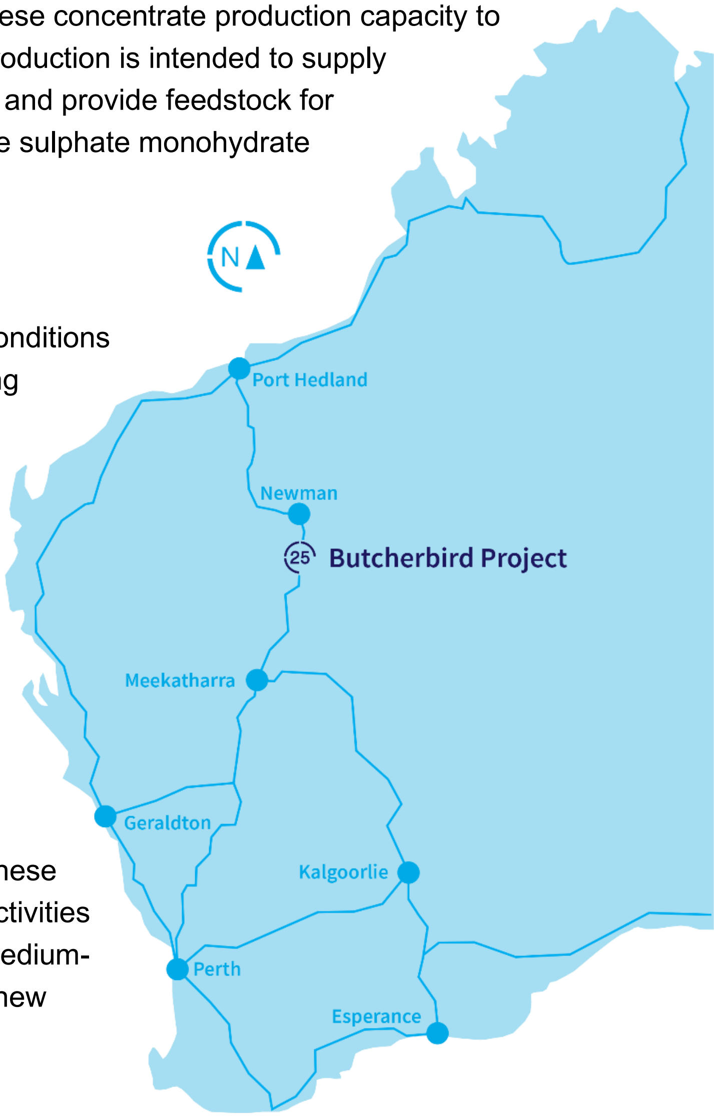
The Butcherbird Manganese Project is located in Western Australia and hosts a large onshore manganese resource. BBX is designed to expand manganese concentrate production capacity to approximately 1.1 million tonnes per annum[4]. Expanded production is intended to supply manganese concentrate to traditional manganese markets and provide feedstock for Element 25's planned battery-grade high-purity manganese sulphate monohydrate processing facility in Louisiana, USA[5].

NEXT STEPS

The Company will now focus on satisfying the remaining conditions precedent to financial close and first drawdown, progressing broader project financing initiatives and advancing development activities for BBX. The NAIF facility provides a strong foundation for the next phase of project delivery and supports Element 25's strategy to establish Butcherbird as a long-life supplier of manganese products for traditional industrial markets and emerging battery supply chains.

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 recommence production at approximately 1.1Mtpa[6] of medium-grade high silica manganese ore for use in traditional and new energy markets.



[3] E25 ASX Announcement dated 22 January 2025
[4] E25 ASX Announcement dated 22 January 2025
[5] E25 ASX Announcement dated 7 July 2026
[6] E25 ASX Announcement dated 22 January 2025

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 is planning its first HPMSM refinery in Louisiana USA to produce raw material for the US EV market, with support from vehicle OEMs and a grant for US$166 million (AU$268M) in project funding from the U.S. Department of Energy (**DoE**) under the Battery Materials Processing Grant Program.

An anticipated strategic shift towards lithium manganese rich (**LMR**) battery chemistries over high nickel formulations is expected to materially increase demand for HPMSM, with General Motors (**GM**) being one of the first automakers looking to adopt this technology after spending more than a decade on research. Ford Motor Company has also announced a plan to introduce LMR batteries to improve safety, energy density, and reduce costs. LMR battery cells use around to 50-70% manganese increasing the required manganese by up to 10X compared to high nickel ternary chemistries.

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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 material changed. All estimates or Mineral Resources or Ore Reserves underpinning the production target have been prepared by a competent person or persons s 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.