

Element 25 Secures \$2 Million Facility

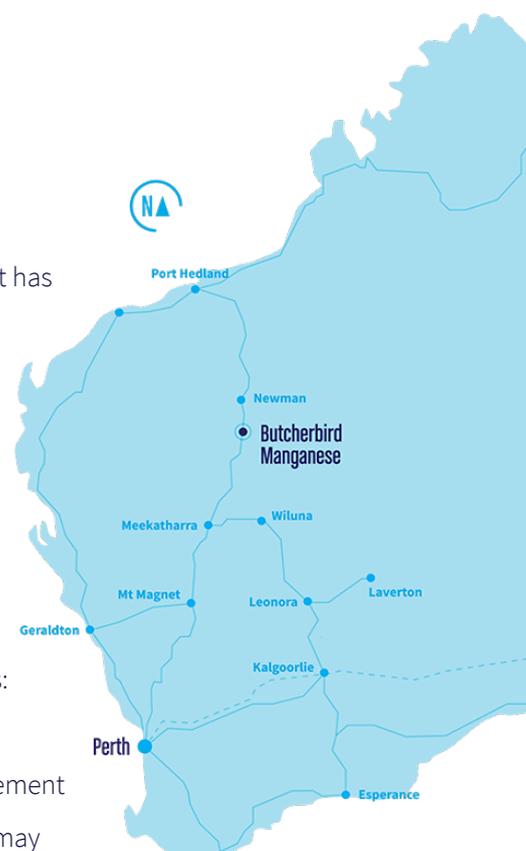
Element 25 Limited (ASX:E25) (E25 or Company) is pleased to announce that it has entered into a Controlled Placement Agreement (CPA) with Acuity Capital to provide E25 with up to \$2 million of standby equity capital over the coming 23 month period. This standby facility may be used to fund the development of the world class Butcherbird High Project and working capital.

Controlled Placement Agreement

Under the CPA, E25 retains full control of all aspects of the placement process: having sole discretion as to whether or not to utilise the CPA, the quantum of issued shares, the minimum issue price of shares and the timing of each placement tranche (if any). There are no requirements on E25 to utilise the CPA and E25 may terminate the CPA at any time, without cost or penalty.

Acuity Capital and the CPA do not place any restrictions on E25 raising capital through other methods. If E25 does decide to utilise the CPA, E25 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 E25 and a 10% discount to a Volume Weighted Average Price (VWAP) over a period of E25's choosing (again at the sole discretion of E25).

As collateral for the CPA, E25 has agreed to place 4.8M ordinary shares ("New Shares") from its LR7.1 capacity, at nil consideration to Acuity Capital (Collateral Shares) but may, at any time, cancel the CPA and buy back the Collateral Shares for no consideration (subject to shareholder approval).



Company Snapshot

ASX Code:	E25	Board of Directors:	Element 25 Limited is developing the world class
Shares on Issue:	92M	Seamus Cornelius	Chairman
Share Price:	\$0.12	Justin Brown	MD
Market Capitalisation:	\$11.0M	John Ribbons	NED
			Butcherbird manganese project in Western Australia to produce high purity manganese sulphate for lithium ion batteries and electrolytic manganese metal.

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About the Butcherbird High Purity Manganese Project

The Butcherbird High Purity Manganese Deposit is a world class manganese resource with current JORC resources in excess of 263 Mt of manganese ore¹. The Company has completed a robust scoping study with respect to developing the deposit to produce High Purity Manganese Sulphate for lithium ion battery cathodes as well as Electrolytic Manganese Metal for use in certain specialty steels. A PFS is currently being completed and is expected to further confirm the commercial potential of the Project.

The Project straddles the Great Northern Highway and the Goldfields Gas Pipeline providing turnkey logistics and energy solutions. The Company is also intending to integrate renewable energy into the power solution to minimise the carbon intensity of the Project as well as reducing energy costs. A cleaner, lower carbon flowsheet and high penetration renewable energy will place Butcherbird at the forefront of sustainable metal production.

Mineral Resources

Category	Tonnes (Mt)	Mn (%)	Si (%)	Fe (%)	Al (%)
Measured	16	11.6	20.6	11.7	5.7
Indicated	41	10.0	20.9	11.0	5.8
Inferred	206	9.8	20.8	11.4	5.9
Total	263	10.0	20.8	11.4	5.9

Notes:

- Reported at a 7% Mn cut-off for the Measured and Indicated categories and an 8% Mn cut-off for the Inferred categories.
- All figures rounded to reflect the appropriate level of confidence (apparent differences may occur due to rounding)

This announcement is authorised for release by the Element 25 Limited Board.

Justin Brown

Managing Director

Company information, ASX announcements, investor presentations, corporate videos and other investor material in the Company's projects can be viewed at: <http://www.element25.com.au>.

¹ Reference: Company ASX release dated 17 April 2019.

Competent Persons Statement

The information in this report that relates to Mineral Resources is based on information announced to the ASX on 17 April 2019. Element 25 confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.