

Placement and Share Purchase Plan

Element 25 Limited (E25 or Company) advises it has received firm commitments from sophisticated, professional and institutional investors to raise up to a total of \$3,500,000 (before costs) through a placement of up to 8,750,000 fully paid ordinary shares (Shares) at an issue price of \$0.40 per Share (Placement).

The Placement is not subject to shareholder approval and will be completed pursuant to the Company's existing capacity under ASX Listing Rules 7.1 and 7.1A with 1,076,773 Shares and 7,673,227 Shares to be issued under those capacities respectively.

Euroz was Lead Manager and Sole Bookrunner to the Placement.

In addition to the Placement the Company will be conducting a Share Purchase Plan to existing eligible shareholders to raise up to \$1.5M at the same issue price per Share of \$0.40 (SPP).

The issue price for the Placement and the SPP represents a 11.10% discount to the volume weighted average price of the Shares traded on the ASX during the 5 trading days on which sales in the Shares were recorded immediately prior to the date of this announcement.

The funds raised under the Placement and SPP will allow the Company to accelerate the development of the Company's 100% owned Butcherbird Manganese Project by allowing deposits for long lead time items to be placed, progress detailed engineering design and other activities associates with the development of the project.

The SPP will enable existing shareholders to participate in the capital raising without incurring any brokerage fees or other transaction costs.



Company Snapshot

ASX Code:	E25	Board of Directors:	Element 25 Limited is developing the world class
Shares on Issue:	98M	Seamus Cornelius	Chairman
Share Price:	\$0.485	Justin Brown	MD
Market Capitalisation:	\$47.5M	John Ribbons	NED
			Butcherbird Manganese Project in Western Australia to produce high quality manganese concentrate and high purity manganese products for traditional and new energy markets.

Eligible shareholders (being those holders of fully paid ordinary shares with an address in Australia, Germany, Hong Kong, China and New Zealand as at 5.00pm WST on 3 July 2020) will have the opportunity to apply for up to \$30,000 worth of fully paid ordinary shares in the Company.

If an eligible shareholder holds shares as a 'custodian' (as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547), the offer under the SPP will be made to the 'custodian' and, subject to a number of conditions, the 'custodian' will have the discretion to extend the offer to the relevant beneficiaries.

As well as an opportunity to increase their shareholding without incurring brokerage fees, the SPP also offers an opportunity for those shareholders holding less than a marketable parcel of Shares (i.e. a holding where the current value is less than \$500) to increase their shareholding to a marketable parcel.

The SPP is currently scheduled to close on 21 July 2020, however the timetable is subject to change therefore shareholders are encouraged to lodge their applications ahead of the advertised closing date. In the event the SPP is not fully subscribed the Company will seek to place any shortfall shares at its discretion. An indicative timetable is provided below.

KEY DATES*

3 July 2020	Record Date 5:00 pm (WST) The date on which E25 determined eligible shareholders
6 July 2020	Announcement Date
8 July 2020	Opening Date The date on which the SPP opens
21 July 2020	Closing Date The date on which the SPP closes Applications must be received by 5:00 pm (WST)
23 July 2020 (on or around)	Despatch Date The date on which holding statements are sent to participating shareholders of Allotment and lodgement of Appendix 2A
24 July 2020 (on or around)	Share Trading Date The date on which Shares allotted under the SPP commence trading on the ASX

*E25 has discretion to alter these Key Dates.

All new shares issued under the SPP will rank equally with all fully paid ordinary shares on issue.

Full details of the SPP will be contained within documentation to be despatched to shareholders on or around 8 July 2020. The documentation should be read carefully.

This announcement effectively lifts the trading halt requested on 2 July 2020. The Company is not aware of any reason why the ASX would not allow trading to commence immediately.

About the Butcherbird Manganese Project

The Butcherbird Manganese Project is a world class manganese resource with current JORC resources in excess of 263 Mt of manganese ore¹. The Company has recently completed a Pre-Feasibility Study with respect to developing the deposit to produce manganese concentrate for export to generate early cashflow with a modest capital requirement². The outstanding economics and low capital hurdle of less than A\$15 million will allow the Company to develop the project in a relatively short timeframe.

This is envisaged as the first stage of a staged ramp up for the project and has the advantage of potentially providing early cashflow to strengthen the Company’s balance sheet and assist in funding of the larger high purity manganese production hub which is the subject of a parallel, complimentary work stream.

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)

¹ Reference: Company ASX release dated 17 April 2019.

² Reference: Company ASX release dated 19 May 2020

Mining Reserve

Based on the results of the Pre-Feasibility Study completed in May 2020, E25 has published a Maiden Ore Reserve for the Project of 50.55Mt in the Proved and Probable categories³.

Classification	Tonnes (Mt)	Grade (Mn%)	Contained Mn (Mt)	Recovered Mn (Mt)
Proved	14.4	11.5	1.65	1.35
Probable	36.2	9.8	3.56	2.92
Total	50.6	10.3	5.21	4.27

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>.

Competent Persons Statement

The company confirms that in the case of estimates of Mineral Resource or Ore Reserves, all material assumptions and technical parameters underpinning the estimates in the market announcements dated 17 April 2019 and 19 May 2020 continue to apply and have not materially changed. The company confirms that the form and context in which the competent person's findings are presented has not been materially modified from the original market announcements.

This announcement is authorised for market release by Element 25 Limited's Board of Directors.

³ Reference: Element 25 Limited Reserve Statement lodged with ASX 19 May 2020.