

## Drilling Programme to Confirm Process Water Supply Commences

Element 25 Limited (E25 or Company) (ASX:E25) is pleased to announce the commencement of a water bore drilling programme at the Company's 100% owned Butcherbird manganese project (Project).

The programme will complete two production bores for the purposes of conducting pump tests to confirm the potential of the selected area to provide sufficient process water for the beneficiation plant at the Project.

A water exploration drilling programme completed in the March 2020 Quarter<sup>1</sup> identified a prospective groundwater supply area to the southeast of the mining lease area. Two aquifers were identified, a shallow aquifer in near surface calcretes and a deep aquifer in palaeochannel sands.

It is expected they will yield sufficient process water for the current development plans at the Project and the current programme will allow production pump tests to be undertaken to confirm the aquifer capacities.



<sup>1</sup> Reference: Company ASX release dated 23 April 2020

## 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:	\$0.41	Justin Brown	MD
Market Capitalisation:	\$40.1M	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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This is a critical programme to de-risk the Project and allow the delivery team to meet the aggressive development timeline that has been set for first production of manganese concentrate from the Project.

### 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 ore<sup>2</sup>. 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 requirement<sup>3</sup>. The outstanding economics and low capital hurdle of less than A\$15 million will allow the Company to develop the project in a shorter timeframe than would have otherwise been possible.

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
<b>Total</b>	<b>263</b>	<b>10.0</b>	<b>20.8</b>	<b>11.4</b>	<b>5.9</b>

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)

<sup>2</sup> Reference: Company ASX release dated 17 April 2019.

<sup>3</sup> 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 categories<sup>4</sup>.

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
<b>Total</b>	<b>50.6</b>	<b>10.3</b>	<b>5.21</b>	<b>4.27</b>

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.

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<sup>4</sup> Reference: Element 25 Limited Reserve Statement lodged with ASX 19 May 2020.