

Element 25 Limited Investor Update

Building a globally significant, low cost, high purity manganese project turbocharged by early cashflow from a low capex concentrate export opportunity.

Investor Presentation – August 2020



Disclaimer

This presentation contains only a brief overview of Element 25 Limited and its associated entities (“Element 25”) and their respective activities and operations. The contents of this presentation, including matters relating to the geology of Element 25's projects, may rely on various assumptions and subjective interpretations which it is not possible to detail in this presentation and which have not been subject to any independent verification.

This presentation contains a number of forward-looking statements. Known and unknown risks and uncertainties, and factors outside of Element 25’s control, may cause the actual results, performance and achievements of Element 25 to differ materially from those expressed or implied in this presentation.

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The information contained in this presentation is not a substitute for detailed investigation or analysis of any particular issue. Current and potential investors and shareholders should seek independent advice before making any investment decision in regard to Element 25 or its activities.

Corporate Overview



Financial Information

ASX Ticker	E25
Shares on Issue	118M
Share Price	\$0.55
Market Capitalisation	\$65M
Cash & Investments	~\$12.5M
Debt	Nil
Enterprise Value	~\$52M

Important Shareholders

JP Morgan Nominees Australia	9.6%
Duketon Mining Limited	4.2%
Aradia Ventures Pty Ltd	4.13%
OM Holdings Limited (via subsidiary)	1.1%

Share Price Performance



Top 20 Shareholders	57%
Board and Management	7.5%

Experienced Owner's Team



Seamus Cornelius
Chairman
Lawyer



John Ribbons
Non-Executive Director
CPA



Justin Brown
Managing Director
Geologist



Ian Huitson
Study Manager
(ex. Consolidated Minerals)
Mining Engineer



Sias Jordaan
Marketing Manager
(ex. BHP)
Accountant



Neil Graham
Plant Design Lead
(ex. ICI, Huntsman)
Process Engineer

- Experienced team supported by industry leading consultants.
- Covers a broad spectrum of disciplines.
- >100 years combined experience in mining and processing industries.
- Outcomes focused, all with “skin in the game”.

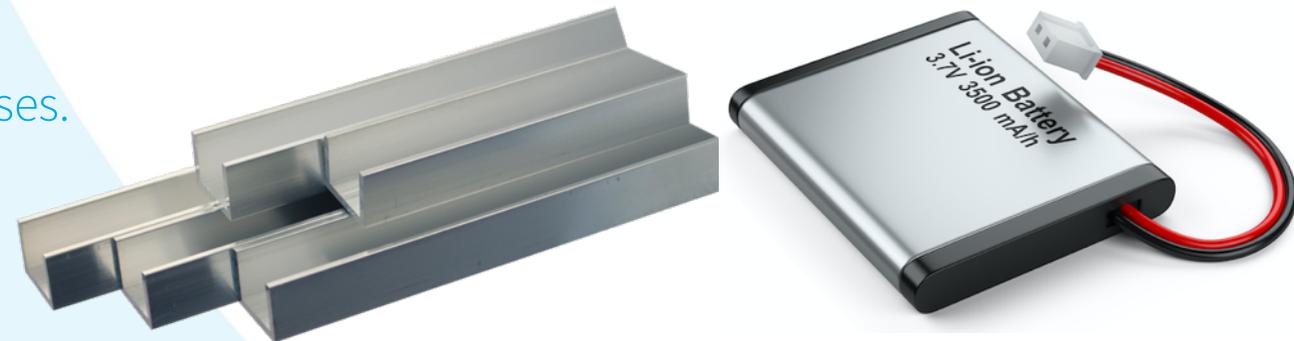


World Class Manganese Resource

Australia's largest onshore manganese deposit with simple outcropping geology allowing for free-dig low cost mining.

What is Manganese?

- Manganese (**Mn**) is the fourth most used metal on earth in terms of tonnage, behind iron, aluminum and copper.
- It has many uses including steel, portable batteries, and aluminium cans.
- Manganese is an essential component of the steel-making process.
- Manganese is a versatile element, a common component in several alloys including zinc and magnesium alloys.
- The main non-metallurgical application of manganese is in the batteries industry.
- There is no substitute for manganese in many cases.



The Butcherbird Manganese Project

- Large resource, currently >260 Mt of manganese ore in Measured, Indicated and Inferred JORC resources¹.
- Maiden Proved and Probable Reserve of 50.6M tonnes at 10.3% Mn for 5.22t of contained manganese².
- Excellent local infrastructure (bitumen road and gas pipeline).
- 100% owned by Element 25 Limited.
- Located in WA, ranked as the #1 mining investment jurisdiction globally³.
- Very simple geology, low strip ratio and free dig (no blasting) mining.
- Measured and Indicated resources underpin the 42-year PFS.
- Simple beneficiation process.
- Pre-Feasibility Study highlights outstanding economics.

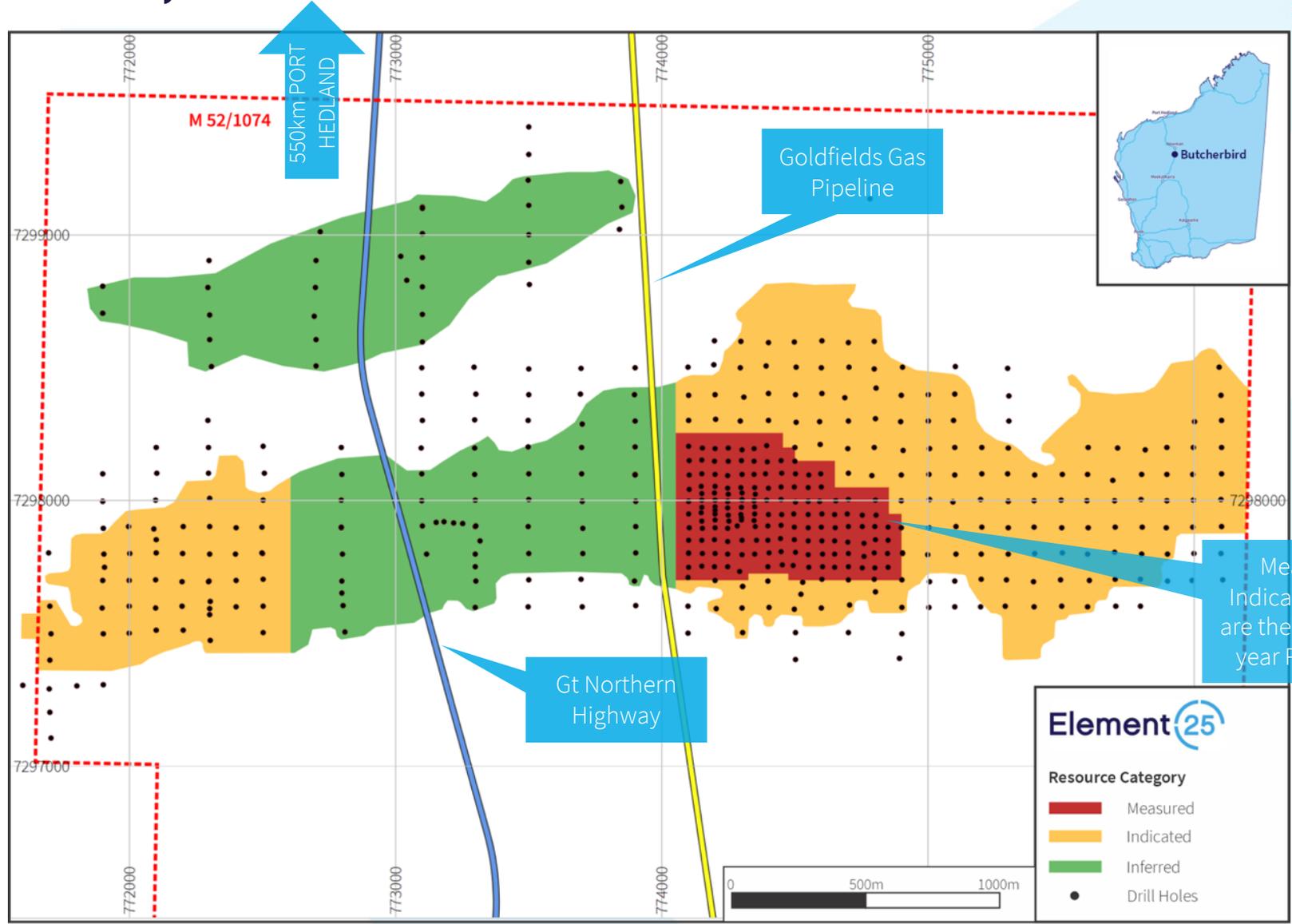


World Class Resource, Great Infrastructure Endowment

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large resource,
excellent
infrastructure,
simple geology

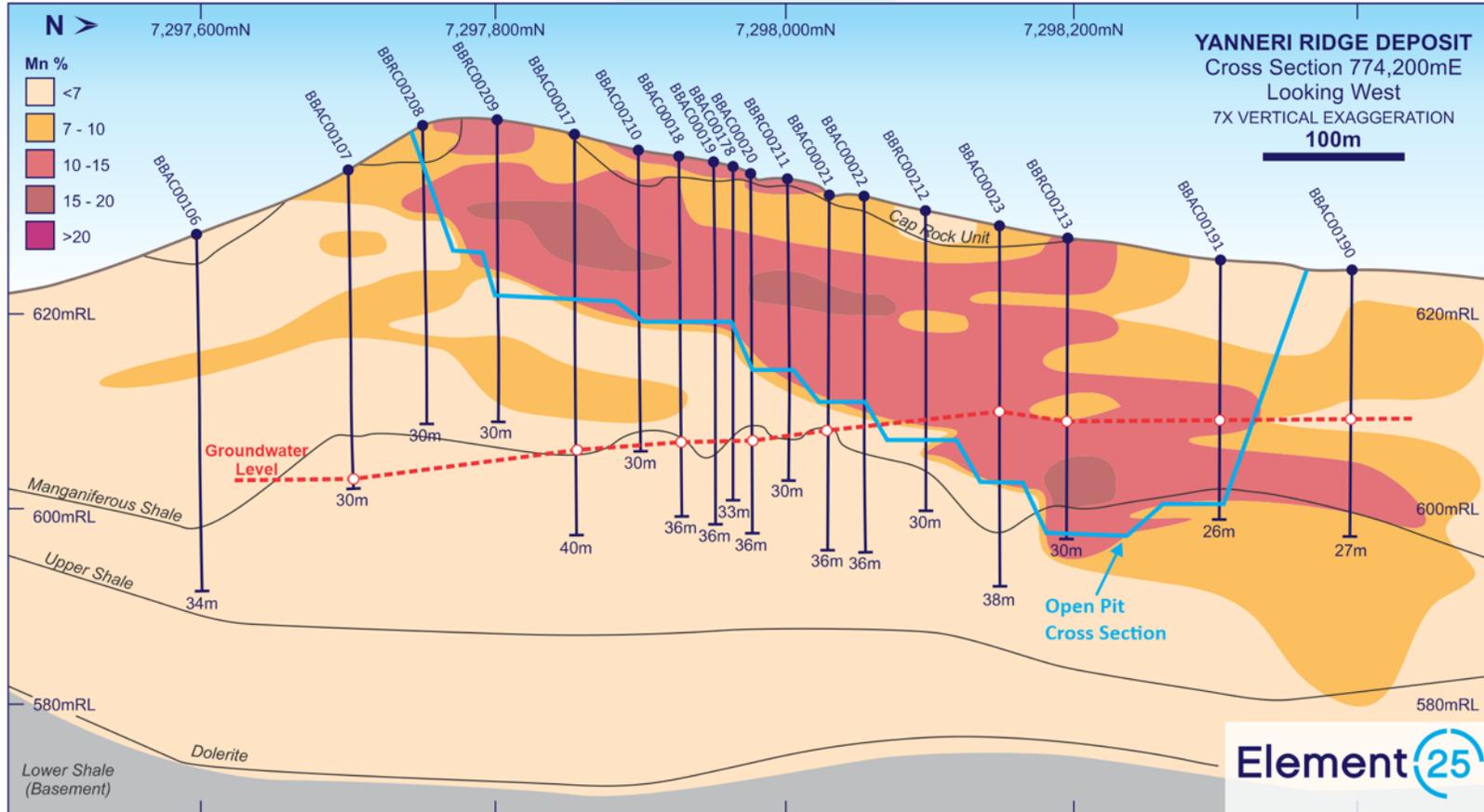
Simple, low
cost Mn units
for all
processing
options



Measured and Indicated Resources are the focus of the 42 year PFS base case

Very Simple Geology

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- Flat lying stratiform ore body, very simple geology.
- Ore zone starts at surface and is laterally continuous.
- No selective mining required.
- Low strip ratio of 0.3:1 based on PFS pit optimisations.
- Mining is above the water table for the first ~30 years.
- Free dig with localised ripping.



A Staged Development Strategy

Early cashflow from the concentrate export startup stage will fund expansion to utilise the very large resource and maximise Project returns.

Simple, Low Cost Beneficiation



Low cost, free dig mining of ore from surface.

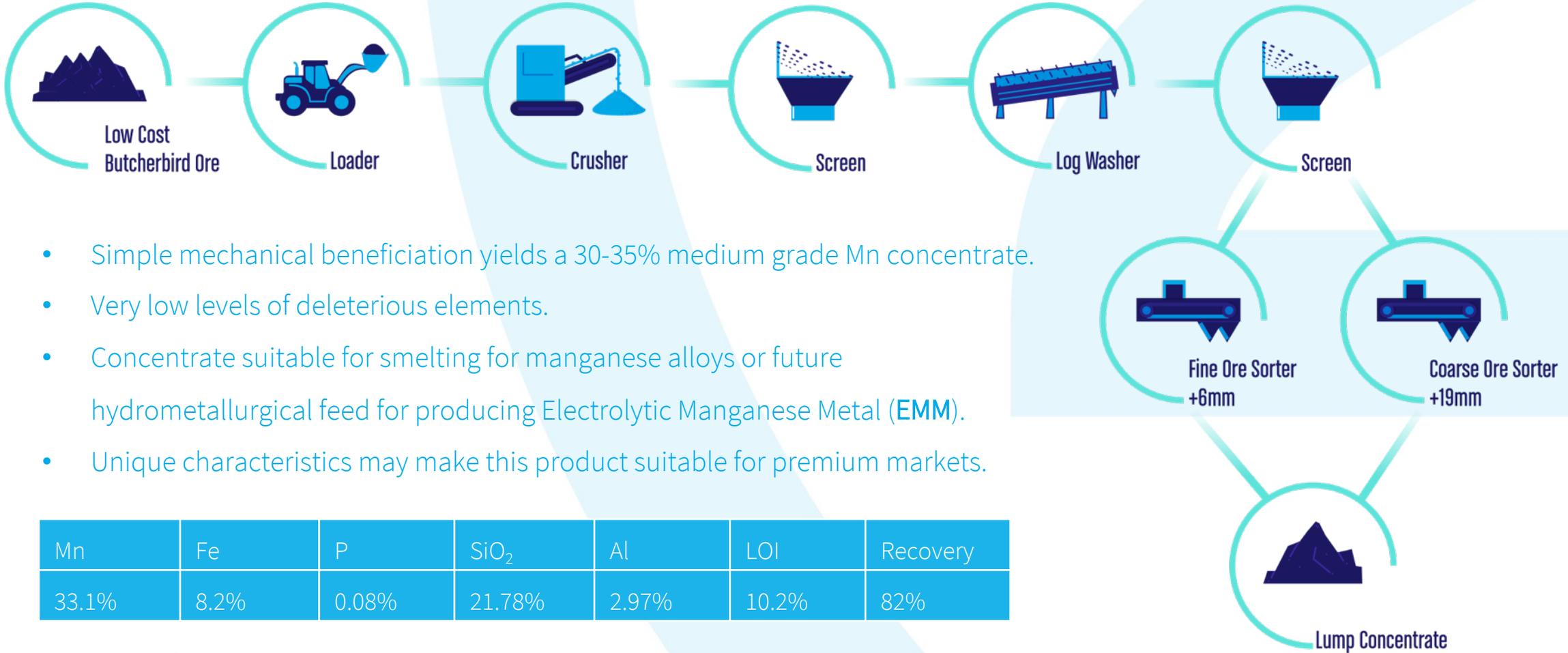


Screening and wet scrubbing removes clays.



Ore sorting rejects shale waste to produce Mn concentrate.

Simple Process, Low Capital, Low Operating Cost



- Simple mechanical beneficiation yields a 30-35% medium grade Mn concentrate.
- Very low levels of deleterious elements.
- Concentrate suitable for smelting for manganese alloys or future hydrometallurgical feed for producing Electrolytic Manganese Metal (EMM).
- Unique characteristics may make this product suitable for premium markets.

Mn	Fe	P	SiO ₂	Al	LOI	Recovery
33.1%	8.2%	0.08%	21.78%	2.97%	10.2%	82%

Concentrate Export PFS Delivers Robust Economics

- Low capital cost A\$14.5M.
- NPV₈: Nominal A\$441M (A\$283M Real)
- IRR: Nominal 255% (223% Real)
- Strong cashflows.
- Simple payback 6 months.
- Long mine life.
- Mine plan utilises only 20% of the total resource.

Financial Highlights²

Pre-Tax Operating Cashflow \$A (Years 1-5)	\$32.1M pa
NPV ₈ Pre Tax AUD	Nominal \$441M (Real \$283M)
IRR Pre Tax	Nominal 255% (Real 223%)
Operating Cost (AISC) US\$/dmtu ¹	\$2.80
Simple Payback	6 months

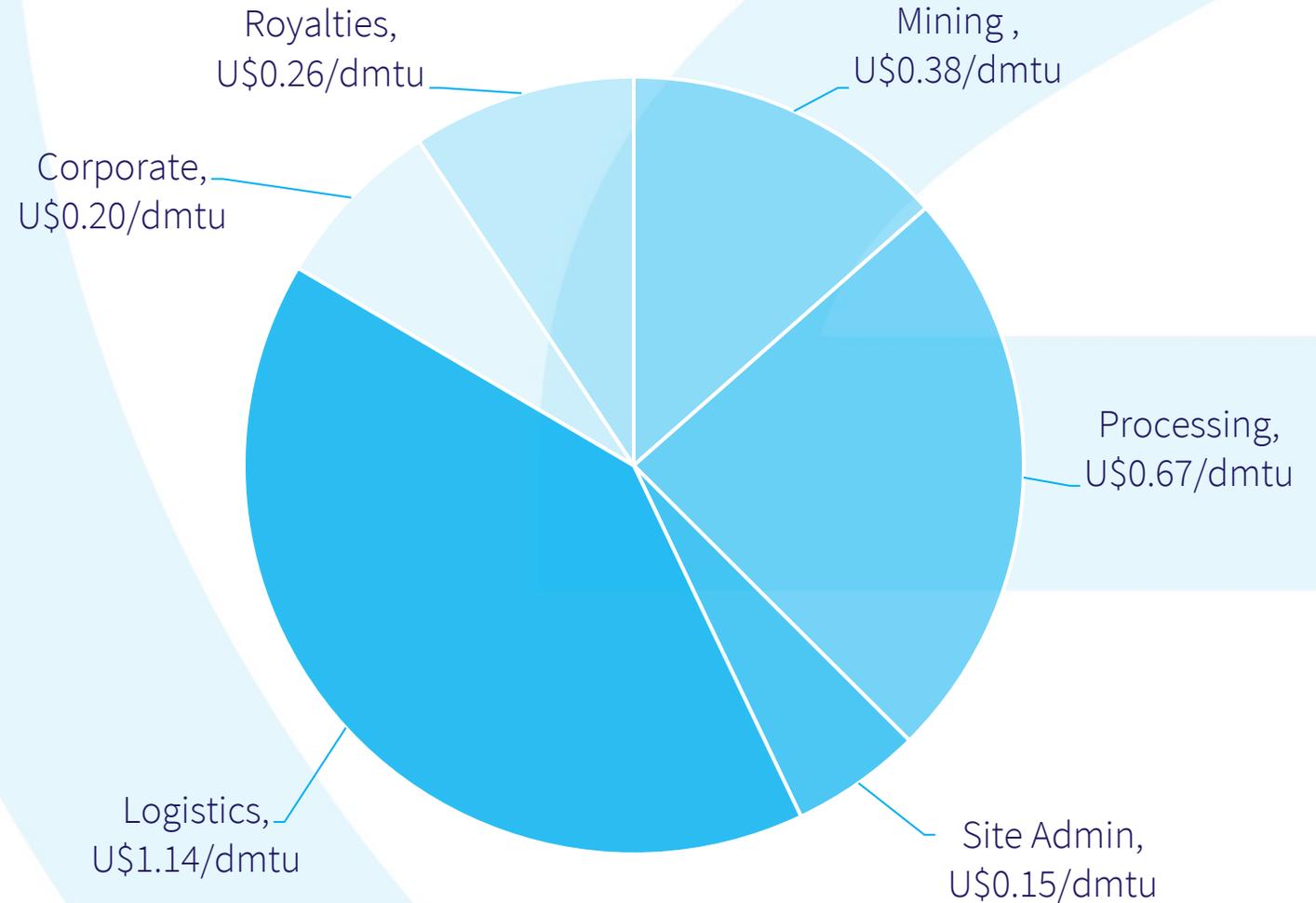
Key Assumptions and Outcomes²

Mn Price USD/dmtu LOM FOB Port Hedland	\$4.79 (years 1-5)
Exchange Rate USD:AUD	\$0.70 (\$0.65 for 2021 and 2022)
Mine Life	42 Years
Ore Mined (tonnes per annum)	1.2M
Annual Concentrate Production (33% Mn)	357Kt (Years 1-5)
Pre Production Capital Cost AUD	\$14.5M Incl. Contingency

Competitive Operating Costs

- Low cost mining.
- Simple processing.
- Excellent logistics infrastructure keeps costs low.
- Access to Port Hedland bulk handling facilities.

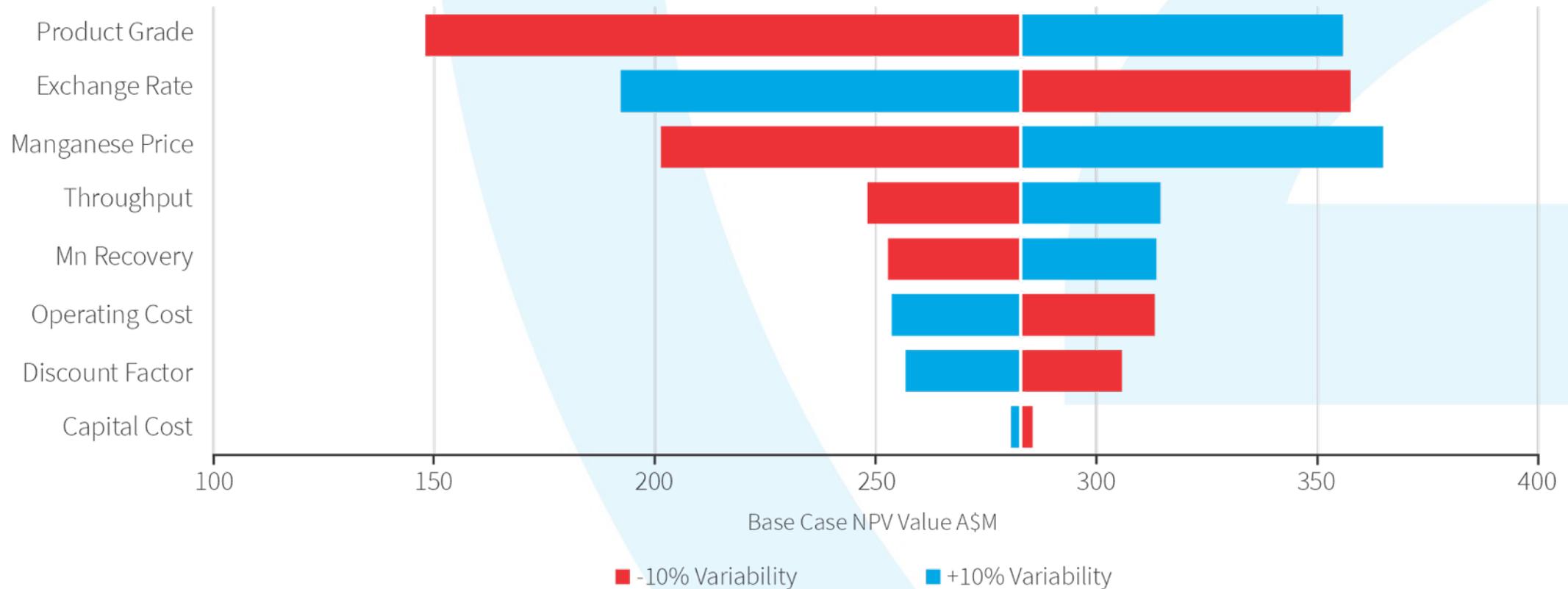
Butcherbird Manganese Project
Unit Operating Cost (U\$/dmtu Sold)



A Resilient Project



Key Sensitivities



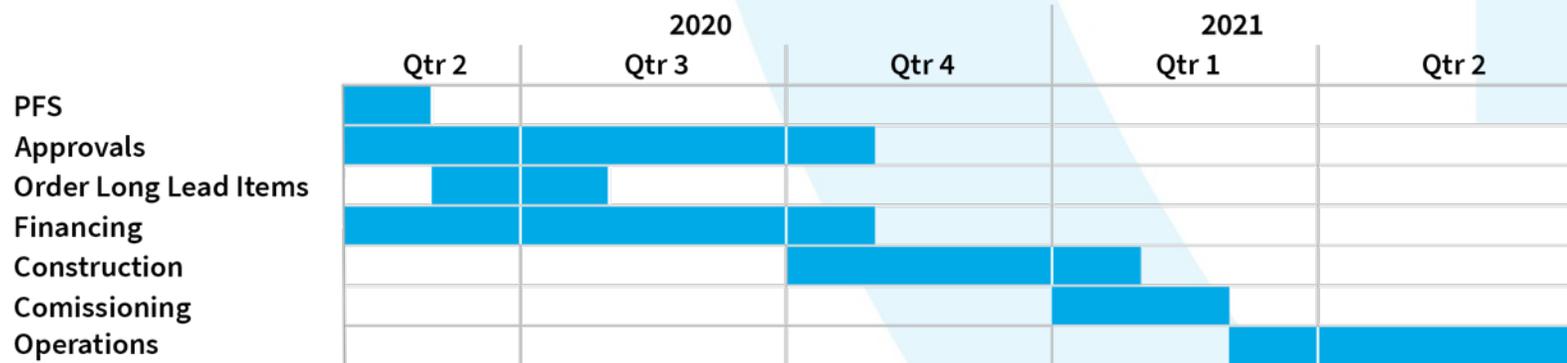
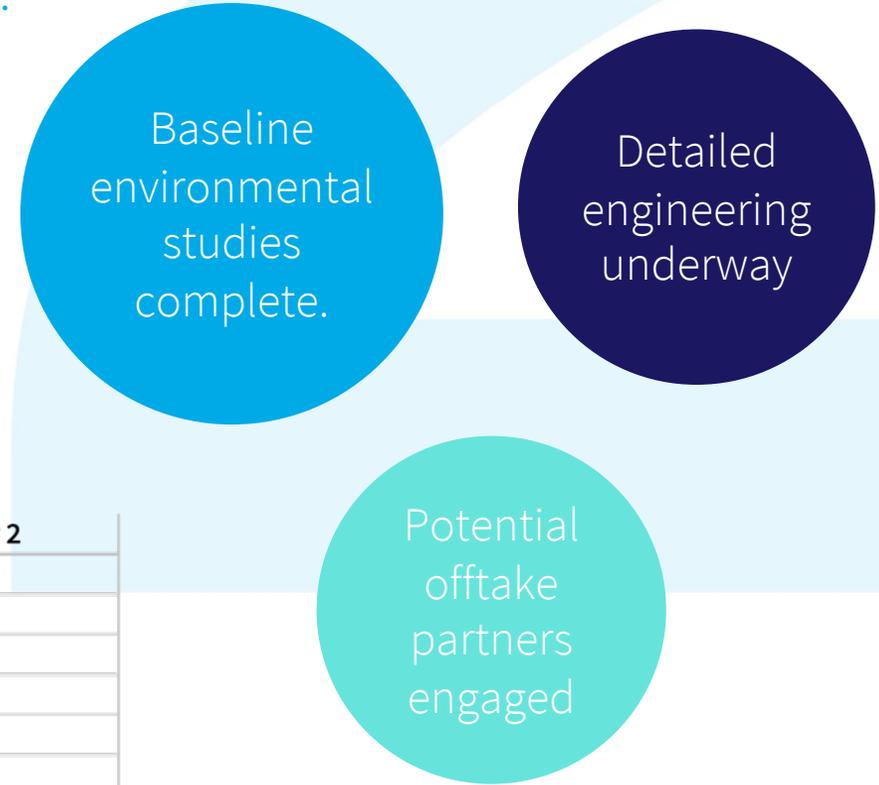
Logistics Strategy

- Road haul to Port Hedland on the Great Northern Highway.
- Approximately 6-7 trucks per day.
- Bulk shipping via Utah Point facility.



Development Timeline

- Project development timeline targeting first production Q1 2021.
- Discussions underway with equipment suppliers for long lead time items.
- Approvals process well advanced.
- Project financing strategy defined.



Project Delivery on Time and Budget

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- Mining Lease granted.
- All access agreements finalised.
- Processing water source confirmed.
- Long lead-time items ordered¹.
- Permitting documents well advanced.
- All critical path items on time and budget for project delivery Q1 2021.



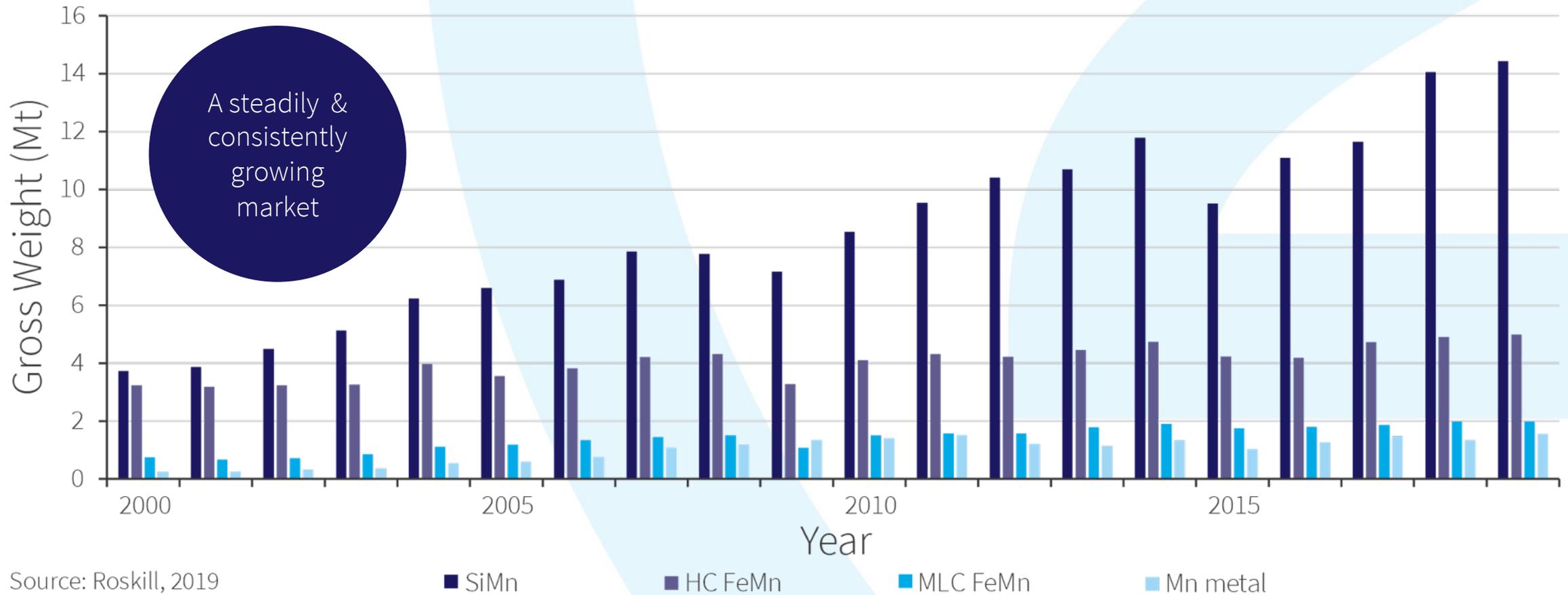


Manganese Markets are Robust

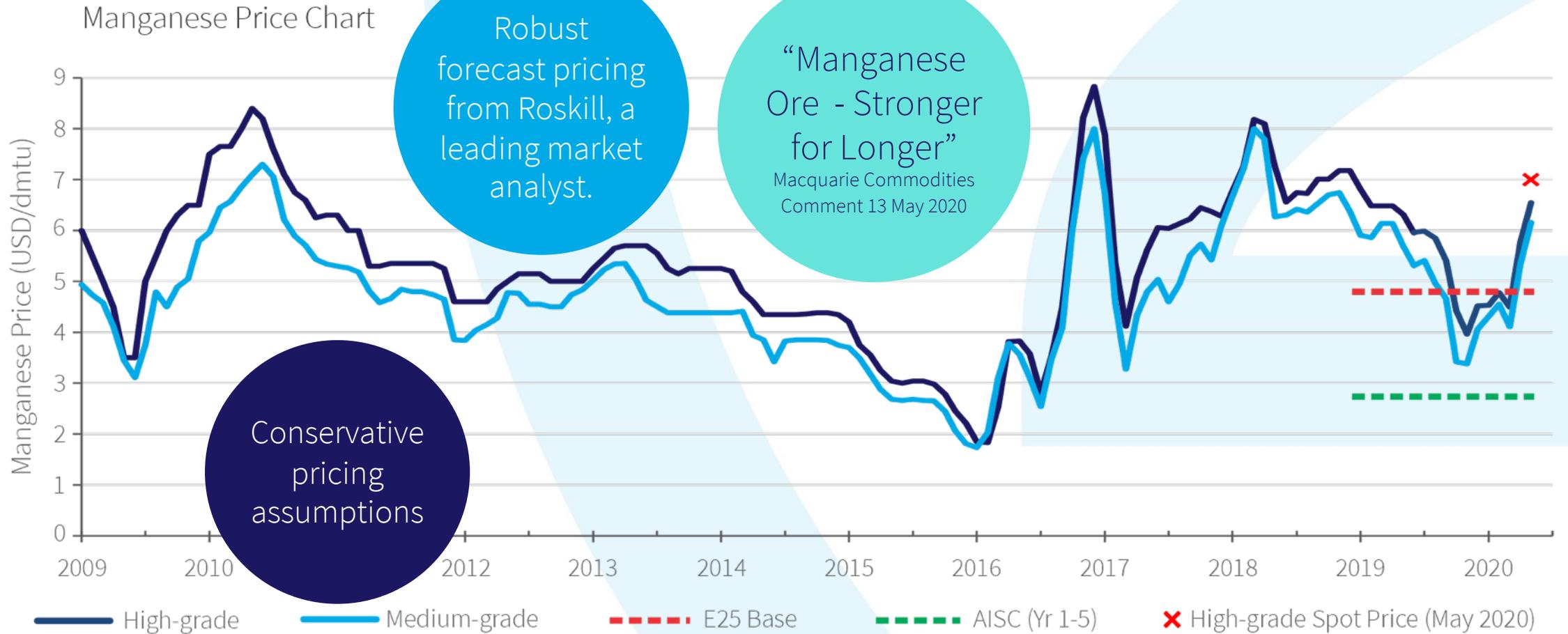
Demand for manganese is growing and supply has constraints. Butcherbird is closer to the end users than many other Projects.

Manganese Demand Growing

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Manganese Concentrate Pricing



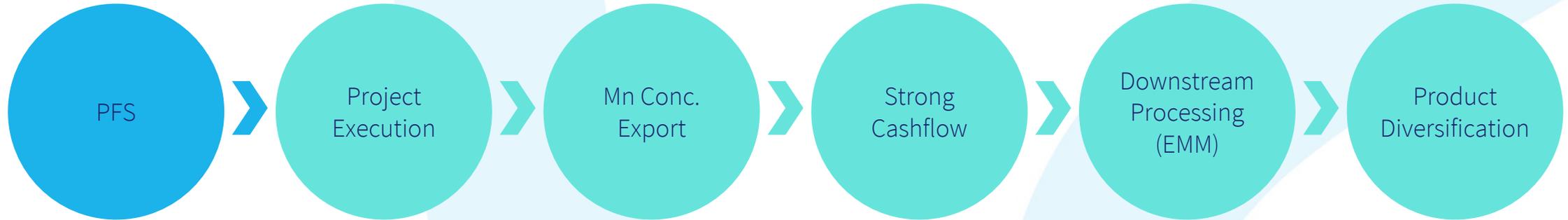
Source: Roskill/UBS



Where to From Here?

Transitioning from an explorer to a miner is the goal of all junior exploration companies and we are firmly on the path.

Our Journey...



Our Goal...

- Produce clean, low cost, ethical manganese products for world markets.
- Become a globally significant manganese producer.
- Achieve best in class quality and cost profile.
- Operate ethically and sustainably in a Tier 1 jurisdiction.
- Generate strong sustainable investor returns over the long term.



Ingredients for Success...

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- #1 ranked investment jurisdiction globally*
- Permitting risks low
- Established infrastructure
- Recognised mining jurisdiction/



- Simple, low cost mining
- Low capital, early cashflow strategy
- Native Title resolved
- Permits well advanced



- Simple beneficiation to produce concentrate.
- High recoveries/low costs
- Scalable/expandable
- Long mine life



- Ore supply tightening
- Demand growth from both steel and batteries
- Support from off-takers
- Global supply issues due to COVID-19



- Massive resource
- Production growth unconstrained
- Innovative downstream processing option
- Potential for long term strong returns.

Thank you.

For more information, please contact Element 25 Limited:

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Element 25







Appendices



Reserves and Resources

Maiden Ore Reserve¹

Category	Tonnes (Mt)	Mn (%)	Contained Mn (Mt)
Proved	14.4	11.5	1.65
Probable	36.2	9.8	3.56
Total	50.6	10.3	5.22

Global Mineral Resource²

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

- 89% conversion of measured and indicated resources to reserve.
- Maiden Reserve only exploits approximately 20% of global mineral resource.
- Excellent potential for future expansion.
- More drilling has potential to add to global resource.

Competent Person's Statement

The information in this presentation that relates to Exploration Results is based on information compiled by Mr Justin Brown who is a full-time employee of the Company and is a member of the Australasian Institute of Mining and Metallurgy. Justin Brown has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Justin Brown consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

All references to Mineral Resources pertain to the ASX release dated 17 April 2019. The Company confirms that all material assumptions, underpinning the estimations continue to apply and have not materially changed.

All references to Mineral Reserves pertain to the ASX release dated 19 May 2020. The Company confirms that all material assumptions, underpinning the estimations continue to apply and have not materially changed.

For further information on Element 25 Limited and its Projects please visit its website at www.element25.com.au which contains copies of all continuous disclosure documents to ASX, Competent Persons' Statements and Corporate Governance Statement and Policies.

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