

Butcherbird Manganese Project Permitting Update

Highlights:

- Native Vegetation Clearing Permit application lodged with DMIRS.
- Water Abstraction Licence lodged with DWER.
- Works Approval lodged with DWER
- Mains Road Department mine access road design approval received.

Element 25 Limited (E25 or Company) (ASX:E25) is pleased to announce that fast tracking of the manganese concentrate export operation at the Company's 100% Butcherbird Manganese Project (Project) is advancing on time and on budget.

A number of key milestones have been reached including the lodgement of key permitting applications.

Permitting

Several key permitting applications have been submitted to the relevant government departments to start the approvals process. These include:

Native Vegetation Clearing Permit

The clearing provisions of the Environmental Protection Act require the clearing of native vegetation to be authorised by a clearing permit. The application for this permit has been lodged with the Department of Mines, industry, Regulation and Safety (DMIRS). The clearing permit will allow for the removal of vegetation in the key work areas such as the open pit, the process plant, and the tails storage facility footprints.



Company Snapshot

ASX Code:	E25	Board of Directors:	
Shares on Issue:	118M	Seamus Cornelius	Chairman
Share Price:	\$0.56	Justin Brown	MD
Market Capitalisation:	\$66.1	John Ribbons	NED

Element 25 Limited is developing the world class Butcherbird Manganese Project in Western Australia to produce high quality manganese concentrate and high purity manganese products for traditional and new energy markets.

Water Abstraction Licence

The Department of Water and Environmental Regulation (**DWER**), as Western Australia's water resource management agency, has responsibility for assessment and decision making for licences and permits to extract water for the processing plant operations. This permit application has been lodged with DWER, and is supported by detailed hydrogeological modelling of the proposed aquifer which was defined in the recent test bore pump test programme¹.

Works Approval

Before a mining company can construct, install, alter or operate a plant, they must obtain a works approval and licence from the DWER, in accordance with the Environmental Protection Act 1986. This permit application has been lodged.

Great Northern Highway Access

In addition to these key permit applications, the Company has now received approval for the proposed design of the access road where it intersects the Great Northern Highway. This approval was granted by Main Roads Western Australia.

Mining Proposal/Mine Closure Plan

The Mining Proposal and Mine Closure Plan considers the environmental aspects of the mining operation and the rehabilitation activities at the conclusion of mining. An approved Mining Proposal and Mine Closure Plan are a pre-requisite to the commencement of operations. This application is expected to be lodged with DMIRS imminently.

Project Management Plan

Under the Mines Safety and Inspection Act 1994 (WA) (**MSI Act**), the commencement of mining operations is not permitted until a project management plan (**PMP**) has been approved. The PMP details the approach to managing hazards associated with the construction and operation of the proposed mine site. This application is expected to be lodged with DMIRS imminently.

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 ore². The Company has recently completed a Pre-Feasibility Study with respect to developing the deposit to produce manganese concentrate for export to generate early

¹ Reference: Company ASX release dated 3 August 2020.

² Reference: Company ASX release dated 17 April 2019.

cashflow with a modest capital requirement³. 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)

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 categories⁴.

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>.

³ Reference: Company ASX release dated 19 May 2020

⁴ Reference: Element 25 Limited Reserve Statement lodged with ASX 19 May 2020.

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.

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Justin Brown who is a member of the Australasian Institute of Mining and Metallurgy. At the time that the Exploration Results and Exploration Targets were compiled, Mr Brown was an employee of Element 25 Limited. Mr Brown is a geologist and 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'. Mr Brown consents to the inclusion of this information in the form and context in which it appears in this report.

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