

27 April 2020

Company Update

Element 25 Limited (ASX: E25; Company) provides the following update in relation to the coronavirus (COVID-19) pandemic.

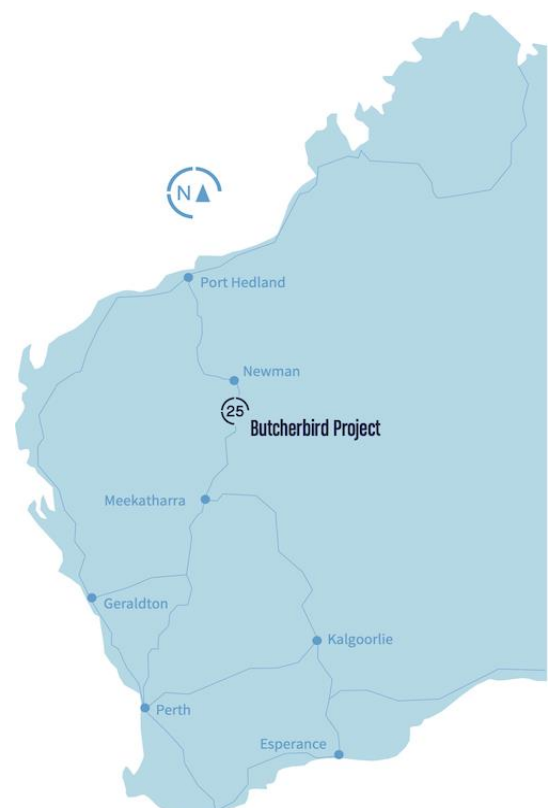
In keeping with government guidelines all E25 staff and contractors have been observing social distancing measures and working from home where possible to minimise contact.

Despite some impact on the provision of services by third parties, the Company continues to make excellent progress in relation to the development of the Butcherbird Manganese Project (Project).

The Board will continue to monitor the situation and take all steps to maintain safe working conditions while continuing with planned work programmes where it is safe to do so.

In order to preserve cash reserves, the E25 Board resolved on 24 April 2020 to issue options to the Managing Director and Non-Executive Director's and reduce the cash component of director fees by 20%. This fee reduction is effective from 11 April 2020 and is conditional on shareholder approval being received with respect to the issue of options. The fee reduction will be for an initial period of six months and will be subsequently reviewed at this time and if required, will remain in place.

Subject to shareholder approval the options will be issued at an exercise price of 20 cents. The 30-day VWAP of E25 shares was \$0.146.



Company Snapshot

ASX Code:	E25	Board of Directors:		Element 25 Limited is developing the world class
Shares on Issue:	97M	Seamus Cornelius	Chairman	Butcherbird manganese project in Western Australia to
Share Price:	\$0.19	Justin Brown	MD	produce high purity manganese sulphate for lithium ion
Market Capitalisation:	\$18.4M	John Ribbons	NED	batteries and electrolytic manganese metal.

Element 25 Limited
 P +61 8 6315 1400
 E admin@e25.com.au
 element25.com.au

Level 2, 45 Richardson Street,
 West Perth, WA, 6005
 PO Box 910 West Perth WA 6872
 Australia

The Company continues to progress the Pre-Feasibility Study (PFS) in relation to the Project as well as bringing forward plans for a potential start of production at the Project via a low capex manganese concentrate export operation.

Schedule of Options To Be Put To Shareholders In General Meeting

Mr Seamus Cornelius – Chairman	
Options	200,000
Exercise price	20 cents per option
Option term	3 years from date of shareholder approval.

Mr Justin Brown – Managing Director – Executive	
Options	750,000
Exercise price	20 cents per option
Option term	3 years from date of shareholder approval.

Mr John Ribbons – Non-Executive Director	
Options	150,000
Exercise price	20 cents per option
Option term	3 years from date of shareholder approval.

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. In optimising the comminution circuit for the plant design, an opportunity has been identified to bring forward production via a low capital cost ore concentrate option.

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. A PFS_{CON} is currently being finalised to demonstrate the potential economics of a staged start up strategy,

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.

¹ Reference: Company ASX release dated 17 April 2019.

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 by the Board of Element 25 Limited.

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 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.