

Heritage Clearance Received and Resource Infill Drilling Programme Commenced at Butcherbird

Highlights

- Site Avoidance Survey completed over the portion of MLA 52/1074 within the Nyiyaparli native title claim which covers the proposed mine development area identified in the Scoping Study¹.
 - No DPLH registered Aboriginal sites were identified;
 - No lodged DPLH OHPs were identified;
 - No stored DPLH OHPs were identified; and
 - No newly identified sites were recorded.
 - Area is cleared for infill drilling and infrastructure development.
- Infill drilling to allow resource upgrade in preparation for Pre-Feasibility Study commenced.
- EIS co-funded drilling for high grade manganese targets will follow the resource drill-out.

Element 25 Limited (“E25” or “Company”) is pleased to advise that resource infill drilling has commenced at the Company’s 100% owned Butcherbird High Purity Manganese Project following receipt of comprehensive heritage clearances from the Nyiyaparli Native Title Claim Group.

The survey that was completed was a Site Avoidance Survey meaning that the areas targeted for the resource infill drilling programme and future mining and infrastructure development are now cleared.

¹ Reference: Company ASX Release dated 10 May 2018

Company Snapshot

ASX Code:	E25	Board of Directors:		Element 25 Limited is developing the world class
Shares on Issue:	83.5M	Seamus Cornelius	Chairman	Butcherbird manganese project in Western Australia to
Share Price:	\$0.185	Justin Brown	ED	produce high purity manganese sulphate for lithium ion
Market Capitalisation:	\$15.4M	John Ribbons	NED	batteries and electrolytic manganese metal.
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The resource infill drilling programme has commenced and comprises 200 holes for a total of approximately 7,000m. The results will form the basis of a revised mineral resource estimate which is expected to upgrade the planned starter pit area from Inferred and Indicated to Indicated and Measured categories as a basis for a maiden reserve, expected to be published with the PFS.

Drilling is expected to take approximately four weeks, with assays due in December 2018. A revised resource estimate is planned for January 2019.

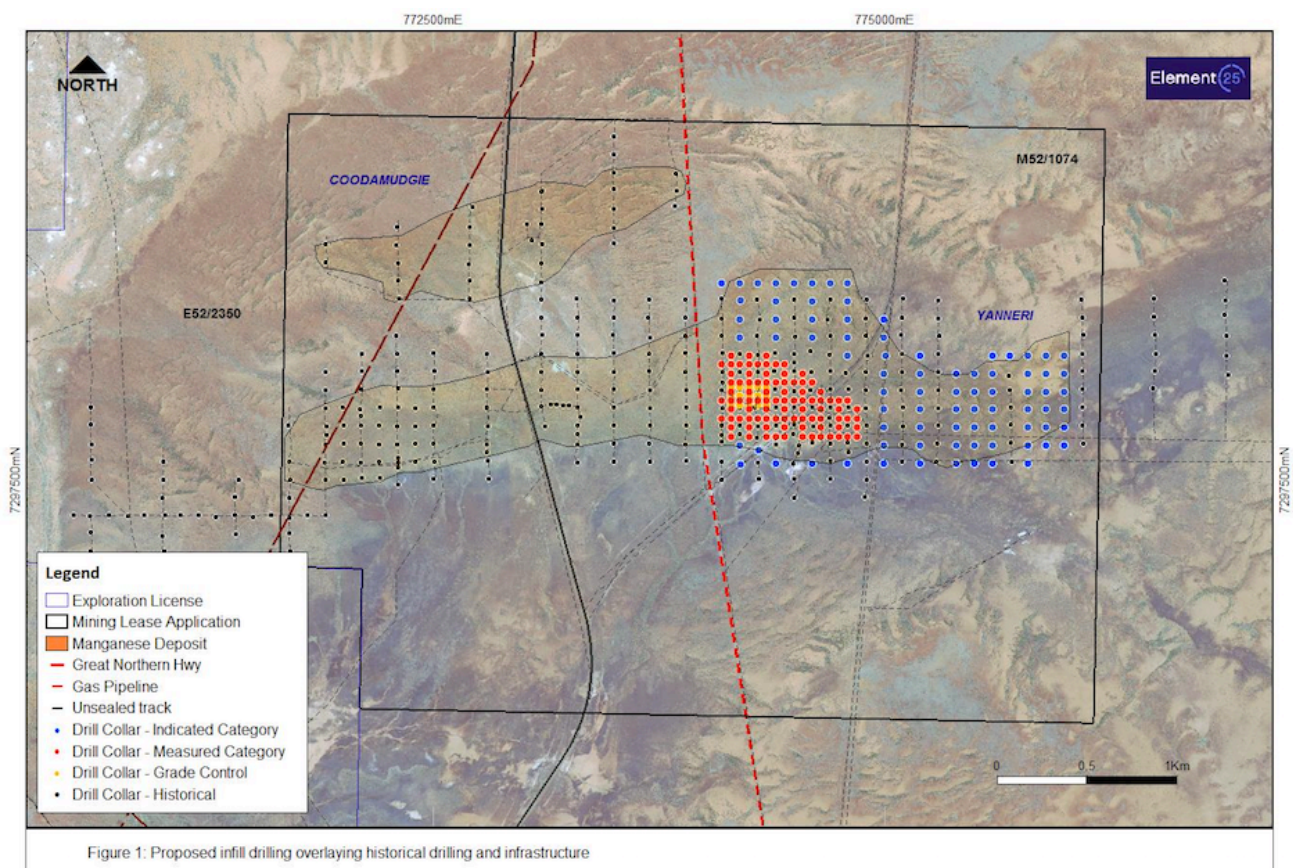


Figure 1: Proposed infill drilling collar locations in relation to the previous drilling, Yanneri Ridge and Coodamudge resource outlines and infrastructure.

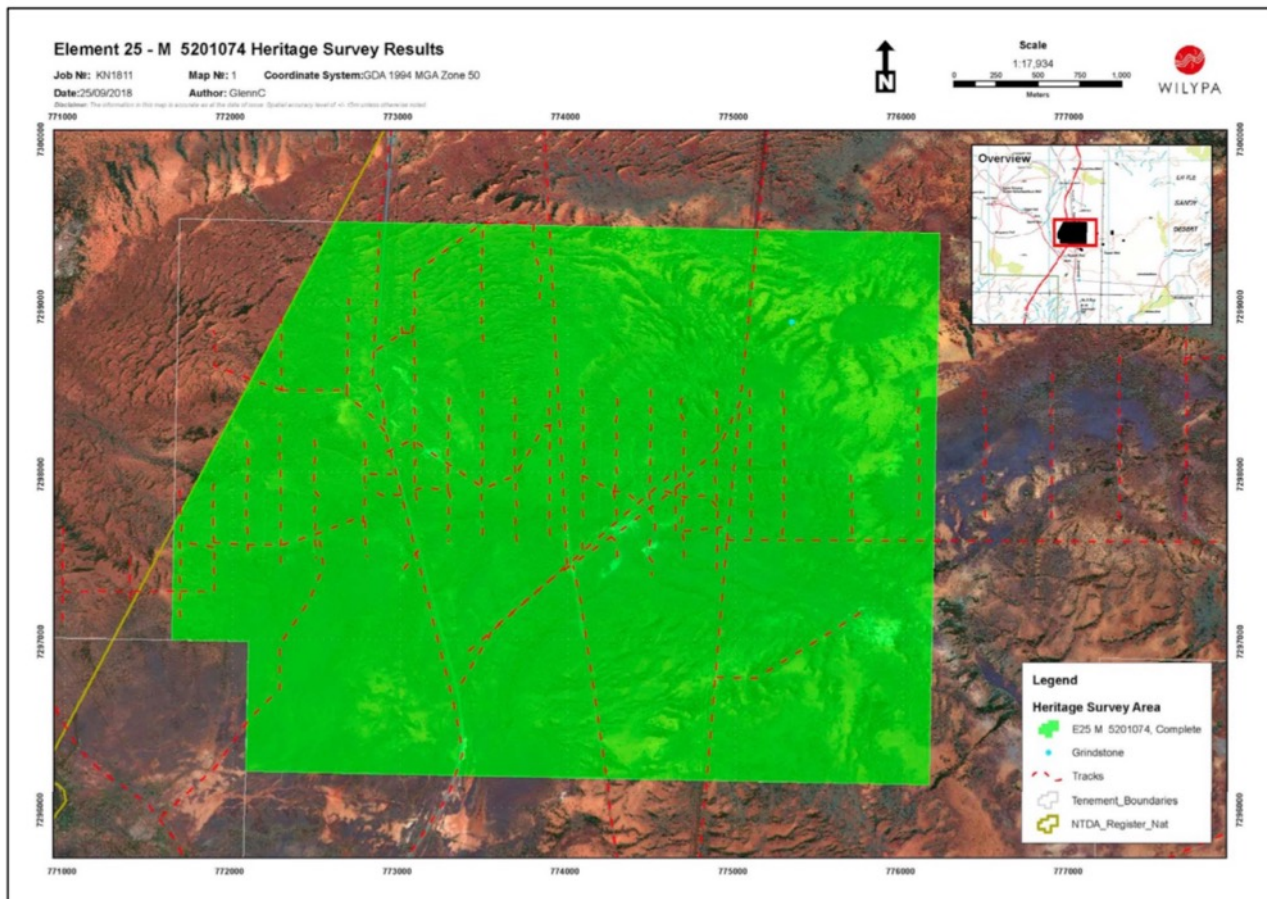


Figure 2: Heritage Clearance Plan - shaded area indicates the portion of M52/1074 which has been cleared for drilling and infrastructure development by the Nyiyaparli Native Title Claim Group.

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 180Mt# of manganese ore². The Company has completed a positive 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.

The Butcherbird 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 further reducing energy costs.

² Reference: Company ASX release dated 12 October 2017 (released under the Company's previous ticker MZM)

Justin Brown

Executive Director

Company information, ASX announcements, investor presentations, corporate videos and other investor material on the Company's projects can be viewed at: <http://www.element25.com.au>.

Competent Persons Statement

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

Please note with regard to exploration targets, the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

#The information in this report that relates to Mineral Resources is based on information announced to the ASX on 12 October 2017. 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.

Classification	Tonnes (t)	Grade Mn (%)
Indicated	22.5	12.0
Inferred	158.3	10.6
TOTAL	180.8	10.8

Notes:

- Reported at 8% Mn cut-off
- All figures rounded to reflect the appropriate level of confidence (apparent differences may occur due to rounding)