

Taokas Wisdom Departs Utah Point with Second Element 25 Manganese Ore Shipment

- Second load of approximately 27,000 tonnes of high-quality manganese concentrate from Element 25's Butcherbird Project departs Utah Point in Port Hedland.
- Ore for delivery to offtake partner OM Materials, a subsidiary of ASX-listed OM Holdings Ltd (ASX: OMH).
- Project team focus accelerating activity on next stages of multi-stage development strategy including Stage 2 expansion.

Element 25 Limited (**E25** or **Company**) (ASX:E25) is pleased to confirm another commercial shipment of manganese concentrate has now been loaded with the ship departing the Utah Point facility at Port Hedland on 30 August 2021. This is the second cargo to be shipped from the Company's 100%-owned world class Butcherbird Manganese Project (**Project**) located in the Pilbara region of Western Australia.

The ore will be delivered to the Company's offtake partner OM Materials (S) Pte Ltd (**OMS**), a wholly owned subsidiary of ASX listed company OM Holdings Limited (**ASX:OMH**) (**OMH**)¹.



¹ Reference: Company ASX release dated 28 January 2021

COMPANY SNAPSHOT

Market Summary

ASX code: E25
Shares on issue: 149M
Share price: \$2.06

Board of Directors:

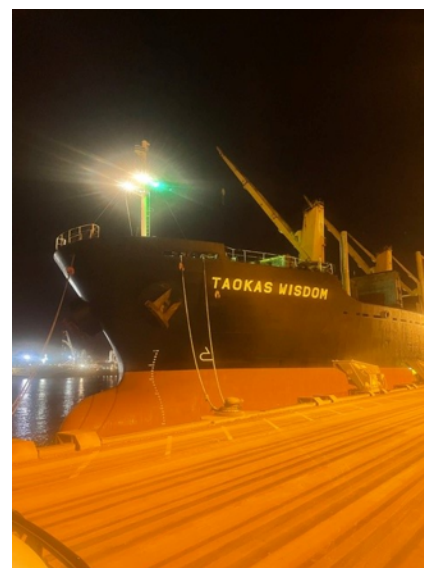
Seamus Cornelius Chairman
Justin Brown MD
John Ribbons NED

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.

The loading of approximately 27,000 tonnes of high quality manganese concentrate aboard the Handymax size vessel Taokas Wisdom is another important milestone in the Company's journey to develop the Project as a globally significant producer of high quality manganese concentrate and high purity battery grade manganese sulphate (HPSM) in subsequent stages of project development.

Production continues at the Project however the Company will now move to larger shipments of 55-60Kt to take advantage of more competitive shipping tariffs at these larger cargo sizes.

In order to facilitate the change in cargo sizes, the Company has established a laydown area at Pippingarra in Port Hedland where the larger shipments will be established before secondary hauling into the Utah Point facility.



Project team focus

The Business Development team is focussing on the next stages of the multi-stage development strategy of the Project including a Stage 2 expansion of the concentrate business followed by a Stage 3 development to convert the concentrate material into high purity manganese sulphate monohydrate (HPMSM) for electric vehicle (EV) batteries to power the global transition away from fossil fuel powered mobility.

Manganese is emerging as an increasingly important ingredient for EV batteries, with potential supply constraints for nickel and cobalt forcing battery manufacturers to look to high manganese cathodes to produce the vast amount of cathode material required by the EV industry in coming years.²

The Project is ideally placed to feed this potential demand, with **advanced flowsheet development** work undertaken in 2019 and 2020 confirming a simple leach process for E25 ores which, when combined with offsets, will target the world's first **Zero Carbon Manganese™** for EV cathode manufacture³.

² <https://thenextavenue.com/2021/01/22/svolt-opens-orders-for-its-nmx-nickel-manganese-batteries/>

³ Reference: Company ASX release dated 12 February 2019.

About the Butcherbird Manganese Project

The Butcherbird Manganese Project is a world-class manganese resource with current JORC resources of more than 263Mt of manganese ore⁴. In May 2020, the Company completed a Pre-Feasibility Study (PFS)⁵ with respect to developing the deposit to produce manganese concentrate for export to generate early cashflow with a modest capital requirement⁶. The outstanding economics and low capital hurdle for the first stage of development has allowed the Company to deliver first production from the Project in less than twelve months from the publication of the PFS.

The PFS also highlighted the Project's potential for significant growth beyond the initial Stage 1 production volumes (the studies examined the potential for a 2X and 3X expansion to Stage 1 within 12 months of initial commissioning), and the Company expects to expedite the expansion of the Project.

In addition to the concentrate export business, the Company has completed extensive research & development and laboratory test work into the production of high purity manganese products including battery grade manganese sulphate (**HPMSM**) and High Purity Electrolytic Manganese Metal (**HPEMM**). The work has highlighted that the Butcherbird ores are highly amenable to an ambient temperature, atmospheric pressure leach process, resulting in a very efficient extraction of the manganese into solution, the key requirement for the cost effective and sustainable production of HPMSM and HPEMM.

The Project straddles the Great Northern Highway and the Goldfields Gas Pipeline, providing turnkey logistics and energy solutions. The Company plans to integrate renewable energy into the power solution over time to target a zero-carbon footprint for the Project, which is expected to also reduce energy costs. A cleaner, lower carbon flowsheet and high penetration renewable energy will place Butcherbird at the forefront of sustainable high purity manganese production.

⁴ Reference: Company ASX release dated 17 April 2019.

⁵ Reference: Company ASX release dated 19 May 2020.

⁶ Reference: Company ASX release dated 3 December 2020

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 categories⁷.

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>.

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

⁷ Reference: Element 25 Limited Reserve Statement lodged with ASX 19 May 2020.