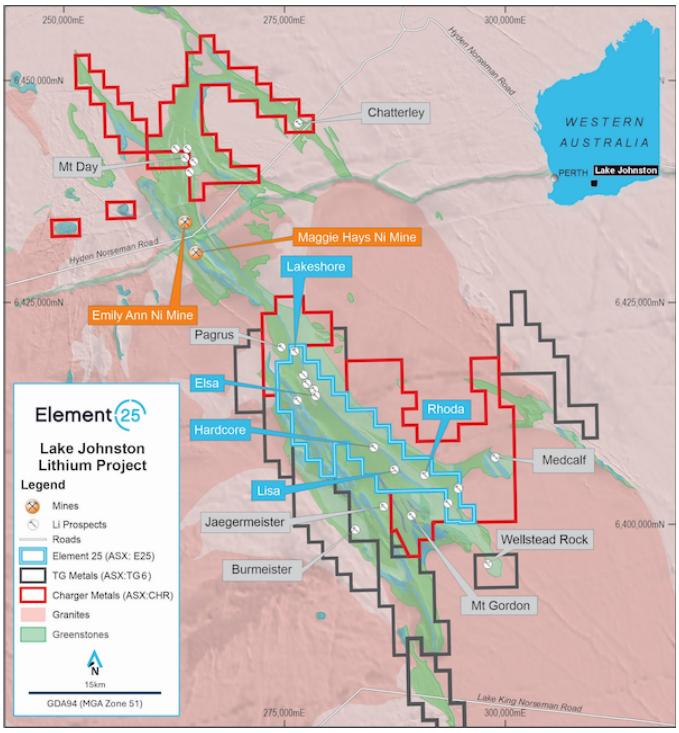
ANNOUNCEMENT | 28 NOVEMBER 2023 | ASX: E25

E25 IDENTIFIES HIGH-PRIORITY LITHIUM PEGMATITE TARGETS AT LAKE JOHNSON, WA

Element 25 Limited (**E25** or **Company**) (**ASX: E25; OTCQX: ELMTF**) is pleased to provide an update on exploration activities at its Lake Johnston Lithium Project in WA.

Lake Johnston is rapidly becoming an emerging province for hard rock pegmatite-hosted lithium mineralisation. The Company holds significant exploration tenure over the Lake Johnston Greenstone Belt, where recent exploration activities continue to enhance the belt's potential for commercial lithium mineralisation. Despite the recent increase in global lithium exploration activity, the Lake Johnston greenstone belt remains relatively underexplored, with exploration previously focusing on gold and nickel. Recent results announced by explorers, including TG Metals Limited (**ASX:TG6**) and Charger Metals Limited (**ASX:CHR**), however, demonstrate there is significant potential for lithium mineralisation in the belt.



Accordingly, E25 has undertaken data compilation and target generation in the area to identify high-priority targets for follow-up testing. The activities to date have included the compilation of historical exploration results, re-processing and re-interpreting available geophysical datasets, and analysing satellite imagery and other remote sensing data sets to identify potential outcropping pegmatites or other geological or geochemical targets.

E25 Managing Director Justin Brown commented: *"Whilst Element 25's primary focus is and will remain the commercialisation of our innovative high purity manganese refining process, recent activities in the Lake Johnston Greenstone Belt provide a compelling case for the presence of potentially economic lithium mineralisation within Element 25's ground-holding in the region. The Board therefore supports the allocation of resources to test this potential, without impacting on the progress at our Butcherbird Manganese Mine in WA or the HPMSM facility being developed in Louisiana, USA in partnership with General Motors and Stellantis to provide long-term, ethical manganese supply to the US electric vehicle industry."*

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E25 has identified several high-priority targets from its activities, and follow-up work is planned to define the targets further and pave the way for drill-testing of the most compelling targets.

Hardcore Prospect

Historic drilling (refer Table 1) intersected broad zones of light-coloured igneous rocks logged as "pegmatites". Previous attempts to resample the drill spoils were unsuccessful as the spoils washed away; however drill chips have been successfully recovered from the historic chip trays. These have been sampled as composites and submitted for assay, and while the results will not be quantitative, they will determine if there is anomalous lithium or lithium pathfinder elements in these intersections.

Hole ID	Depth	NAT Grid ID	Easting	Northing	RL	Dip	Azimuth
HCRC005	294	MGA94_51	285017	6408516	358	-75	030
HCRC007	300	MGA94_51	285102	6408416	367	-60	030
HCRC008	276	MGA94_51	285213	6408402	370	-65	030
HCRC009	300	MGA94_51	285024	6408517	371	-60	030

Table 1. Hardcore Prospect historic RC drilling locations –from historic WAMEX reporting.

- HCRC005 234m-294m (60m)
- HCRC007 227m-293m (66m)
- HCRC008 228m-255m (27m)
- HCRC009 185m-290m (105m)

Lisa Prospect

Satellite image interpretation has identified a potential target at the Lisa Prospect at Lake Johnson. The satellite image clearly shows a light-coloured outcrop with a strike length of approximately 250m. The anomaly is interpreted as a potential pegmatite target, however it will require on-ground follow-up investigations to determine the geological nature of the anomaly.

Figure 1. Satellite image anomaly – potential outcropping pegmatite.

Rhoda Prospect

The Rhoda Prospect was identified from the Geological Survey of Western Australia (GSWA) regional mapping data. Six pegmatite dykes are recorded over a strike length of approximately seven kilometers on the GSWA 1:100k map of the area with two areas identified in the 'critical minerals database' as mapped pegmatites.

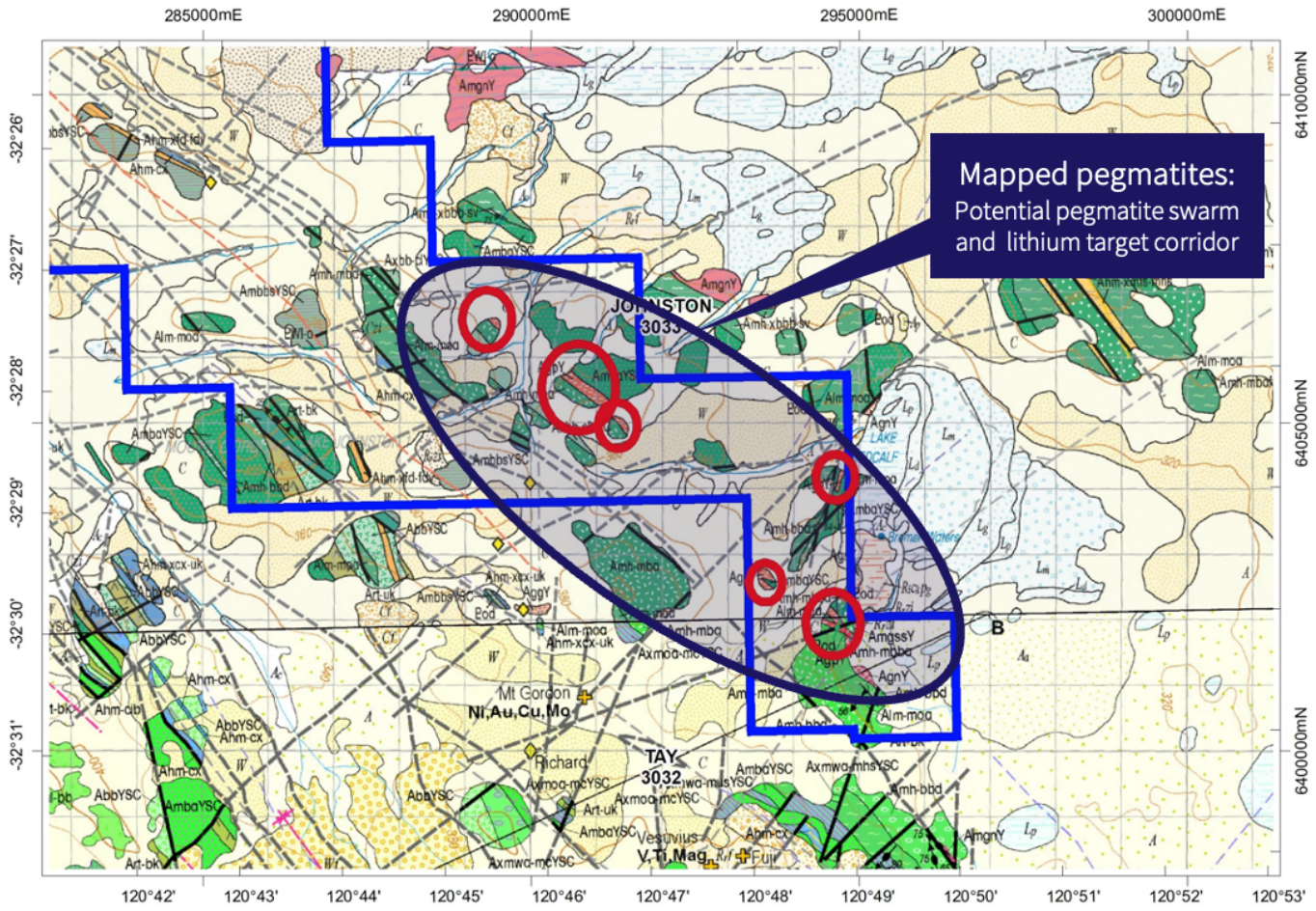

Figure 2. GSWA 1:100K geological mapping identifies multiple outcropping pegmatites.

Geology and Exploration History

Project background

E25's Lake Johnston lithium project covers a southern portion of the Lake Johnston Greenstone Belt. This project has been explored primarily for nickel and gold since the mid-1980s, with very little attention paid to the lithium potential of the area.

Recent exploration success by other groups within the Lake Johnston area has highlighted the belt as highly prospective for hard rock, pegmatite-hosted lithium mineralisation similar in geological settings to several of the world-class lithium projects currently in production or being developed in Western Australia.

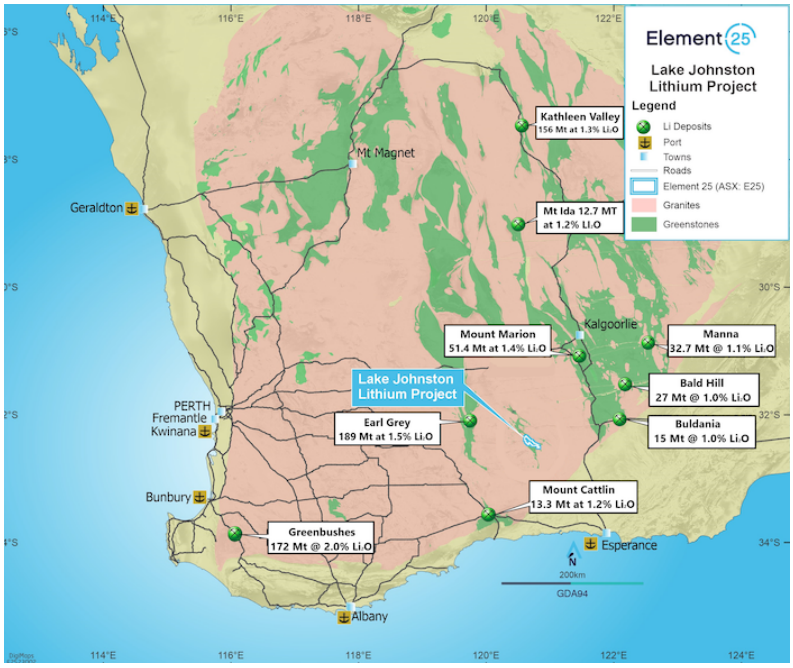

Figure 3. Major lithium bearing pegmatite occurrences in Western Australia.

Current explorers in the belt include Charger Metals Limited[1] (CHR), whose exploration tenure abuts the Element 25 Lake Johnston Project to the southeast and northeast. CHR has confirmed economic grades of primary lithium mineralisation in drilling at the Medcalf Prospect and has also identified significant anomalous lithium in soil sampling at the Mt Day Prospect.

Drilling at Medcalf returned numerous economic-grade lithium intercepts in a pegmatite swarm. Intercepts reported by CHR include[2]:

- 5m @ 2.55% Li_2O from 68m
- 4m @ 2.06% Li_2O from 145m
- 6m @ 1.56% Li_2O from 19m
- 6m @ 1.52% Li_2O from 26m
- 5m @ 1.86% Li_2O from 24m.

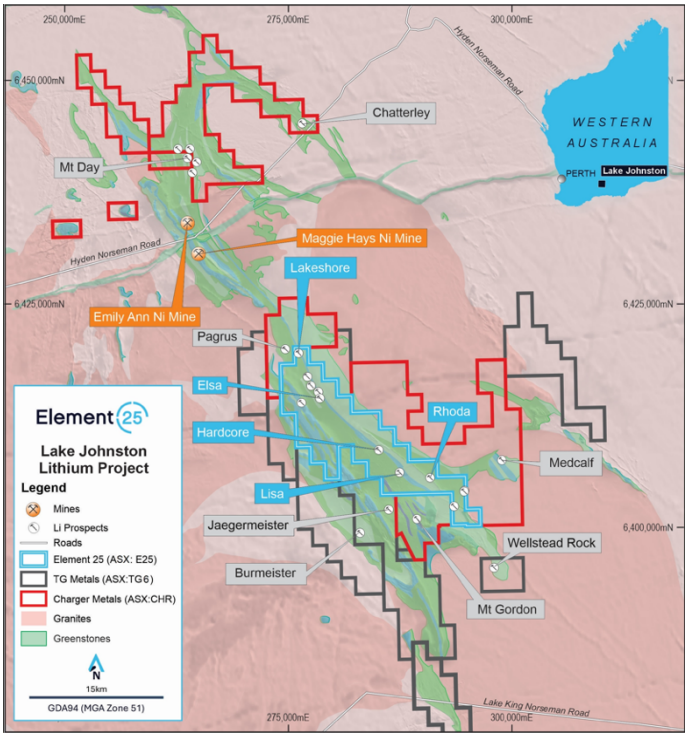

Figure 4. Regional lithium prospectivity summary at Lake Johnston.

TG Metals Limited (TG6) holds ground abutting the southwestern margin of Element 25's tenure and recently announced highly encouraging drilling intercepts at the Burmeister Prospect[3], including:

- 9m @ 1.35% Li_2O, from 30m
- 8m @ 1.25% Li_2O, from 113m
- 9m @ 1.62% Li_2O, from 87m.

About Lithium in Western Australia

The global battery market has enjoyed extremely rapid growth in recent years, and the implications for Western Australia are potentially significant. Western Australia hosts prospective geology for several key battery raw materials including manganese but also lithium.

Battery technology is evolving rapidly and has the potential to revolutionise clean energy, electric vehicles, and consumer products. This growth also creates opportunities for producers of key commodities, notably lithium and manganese. Western Australia has major deposits of a number of key battery materials and is well placed to capitalise on the opportunities that increased battery demand is creating.

[1] Reference: https://chargermetals.com.au/projects/lake-johnston-lithium-project/

[2] Reference: https://wcsecure.weblink.com.au/clients/chargermetals/v2/headline.aspx?headlineid=61143720

[3] Reference: https://wcsecure.weblink.com.au/clients/tgmetals/headline.aspx?headlineid=61181100

Element 25 is already playing a role in the development of a supply of ethically produced battery-grade high-purity manganese sulphate or HPMSM, but Western Australia is also a fast-growing source of hard rock lithium production, ranking fourth for global production in 2017[4].

Most of Australia's economic demonstrated resources of lithium occur within hard rock pegmatite deposits in Western Australia, and it is also the largest lithium producer, and significant resources of spodumene mean that it is likely to remain a major producer over the longer term.

About Element 25

Element 25 Limited (**ASX:E25**) produces a high silica manganese oxide ore from its 100%-owned Butcherbird Mine, located in the southern Pilbara region of Western Australia. The ore is mined with a core focus on ESG. Mining extracts material above the water table to minimise environmental impact, and processing uses water only to wash the ore and remove clays and other impurities. The concentrate is exported to international customers for processing into silicomanganese alloys.

The Company is currently building a processing facility in Louisiana, USA to convert the Butcherbird concentrate using its proprietary technology to produce high quality, low carbon, ethically sourced battery-grade, high purity manganese sulphate monohydrate (**HPMSM**), a critical raw material used in the manufacturing of electric vehicle (**EV**) lithium-ion batteries.

As the EV industry makes the expected shift to higher manganese cathode content to meet volume and cost requirements, the demand for HPMSM is expected to rise. Element 25's very large resource base, long mine life, and innovative, low-carbon processing technology will place it in an industry-leading position to capture significant market share in an expanding industry.

This announcement is authorised for market release by Element 25 Limited's Board of Directors. Company information, ASX announcements, investor presentations, corporate videos, and other investor material in the Company's projects can be viewed at: www.element25.com.au.

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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.

[4] https://www.ga.gov.au/scientific-topics/minerals/mineral-resources-and-advice/australian-resource-reviews/lithium

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.

Appendix 1 - JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems.	• RC chips were sampled by hand from historic ship trays. Samples are composited on 10m downhole intervals. • The samples are not representative due to the nature of the available material and results should only be regarded as indicative, not quantitative.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Reverse circulation percussion drilling.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Historical drilling, no information available.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Logs are from historical reports. The data are not suitable for resource calculation purposes.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• No samples are collected from core drilling.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• Samples are being assayed at a certified lab using the lab standard lithium suite analysis.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	• Significant intersections have been announced in this report.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Approximate only, data has been recovered from historical reports.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• The exploration information in this report is reconnaissance in nature and therefore data spacing is not relevant.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Unknown, data has been recovered from historical reports.
Sample security	• The measures taken to ensure sample security.	• The samples were transported to the site laboratory via Company personnel.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audit was undertaken for this programme.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• The Lake Johnston Project consists of granted exploration license E63/2027. • The tenure is 100% owned by Element 25 Ltd.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• The historical exploration data has been collected by Element 25 Limited and has been reported as accurately as possible.
Geology	• Deposit type, geological setting and style of mineralisation.	• The geological target is primary pegmatite-hosted lithium spodumene mineralisation.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length.	• These details are provided in tabulated form in the body of this report.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No top-cut is applied as it is not appropriate for this style of mineralisation.
Relationship between mineralisation widths and intercept lengths	• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• Unknown, data has been recovered from historical reports.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• No significant discovery is being reported int his announcement.

Criteria	JORC Code explanation	Commentary
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• No grades are being reported in this announcement.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• All relevant geological information has been reported.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Further work will be planned once all results are received and reported.