

Element 25 Limited

Investor Update – Growing the Business

Growing a world class Zero Carbon Manganese™ business

Investor Presentation – February 2021



Introduction

Disclaimer

This presentation contains only a brief overview of Element 25 Limited and its associated entities ("Element 25") and their respective activities and operations. The contents of this presentation, including matters relating to the geology of Element 25's projects, may rely on various assumptions and subjective interpretations which it is not possible to detail in this presentation and which have not been subject to any independent verification.

This presentation contains a number of forward-looking statements. Known and unknown risks and uncertainties, and factors outside of Element 25's control, may cause the actual results, performance and achievements of Element 25 to differ materially from those expressed or implied in this presentation.

To the maximum extent permitted by law, Element 25 does not warrant the accuracy, currency or completeness of the information in this presentation, nor the future performance of Element 25, and will not be responsible for any loss or damage arising from the use of the information.

The information contained in this presentation is not a substitute for detailed investigation or analysis of any particular issue. Current and potential investors and shareholders should seek independent advice before making any investment decision in regard to Element 25 or its activities.

Overview

Developing the world class **Butcherbird Manganese Project** in Western Australia to produce high quality manganese concentrate and High Purity Manganese (HPM) products for traditional and new energy markets.

Financial Information

| | |
|-----------------|---------|
| ASX Ticker | E25 |
| Shares on Issue | 133M |
| Share Price | \$1.665 |
| Debt | Nil |

- Australia's largest onshore manganese deposit.
- >260 Mt of manganese ore in JORC resources¹.
- Reserve containing 5.22 Mt of manganese².
- 100% owned by Element 25 Limited.
- Located in WA, ranked #1 for mining investment³.
- Ethical, proven, sustainably regulated jurisdiction.
- Excellent infrastructure (highway and gas pipeline).
- Simple low-cost mining and processing.
- No blasting or dewatering required.
- Long mine life. Currently 42 years using only 20% of the global resource.
- Outstanding economics²



¹Reference: Element 25 Limited ASX release dated 17 April 2019. ²Reference: Company ASX Release dated 3 December 2020. ³Reference: Fraser Institute Annual Survey of Mining Companies, 2019

Not all manganese is created equal...

E25 Manganese

Serving the Old...

- Manganese (**Mn**) is the fourth most used metal on earth in terms of tonnage.
- Used in steel, specialty alloys and aluminium products.
- Traditionally the market has been dominated by the steel and alkaline battery industries.
- There is no substitute for manganese in steel.
- **E25 manganese concentrate and EMM feed this market.**

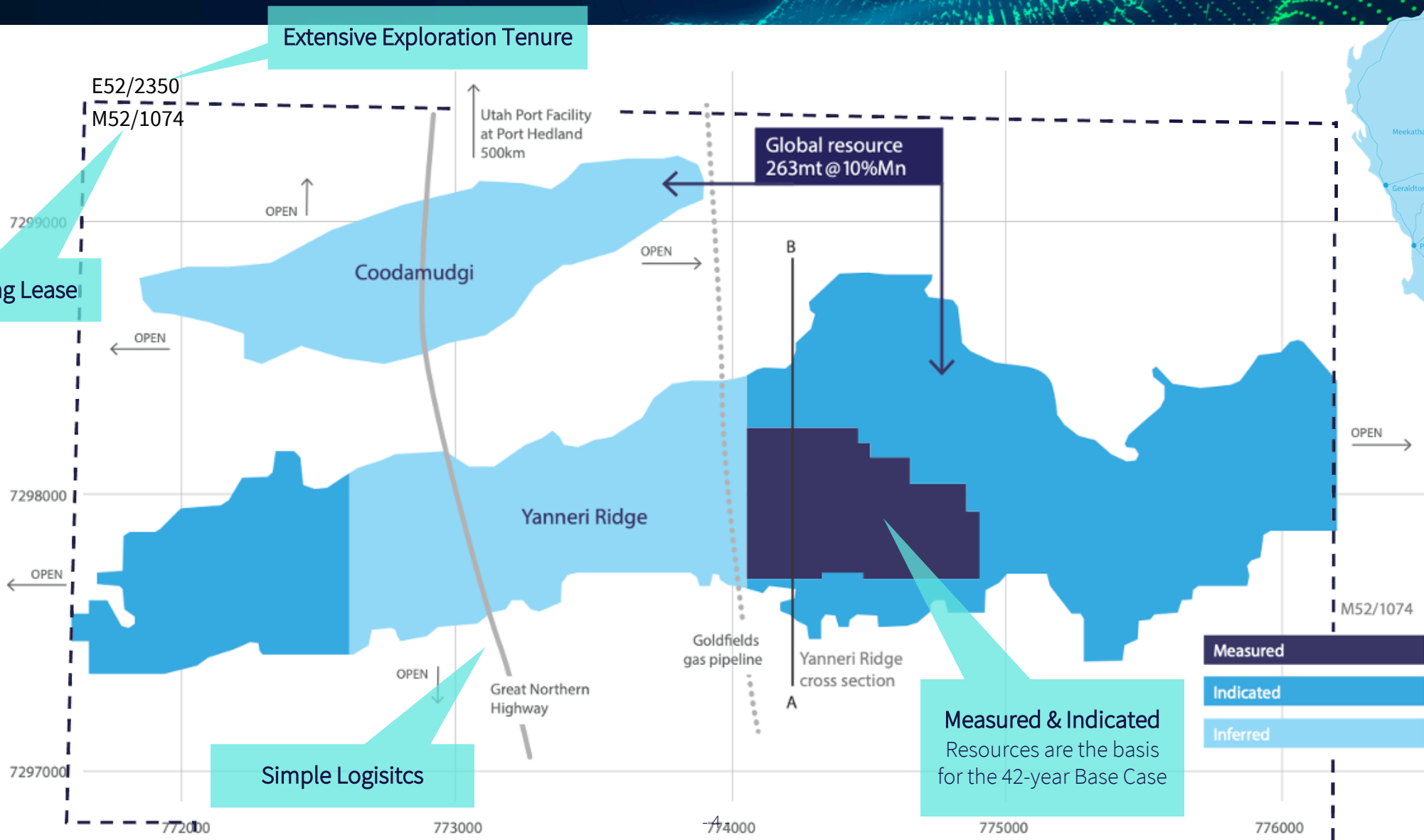
And the New...

- The electrification of the global vehicle fleet requires vast amounts of cathode materials.
- Nickel and cobalt supplies cannot meet the demand for projected NEV growth.
- Batteries are trending toward higher manganese content for safer, more cost-effective solutions.
- **E25 high purity manganese will feed these markets.**

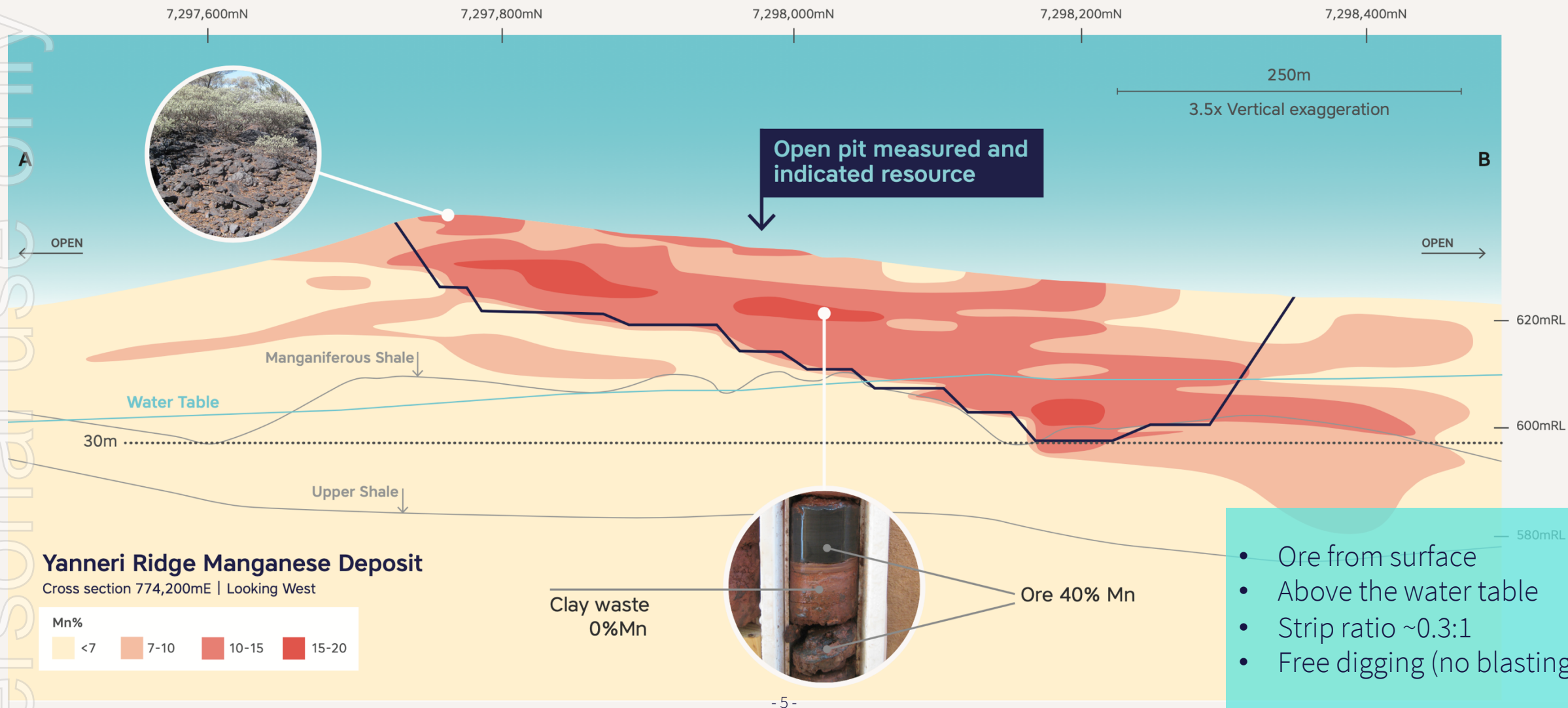


Great infrastructure endowment, fully permitted.

ersonal use only



Very simple geology equals low-cost manganese...



Stage 1: Project Delivery on time and budget

Mining Lease granted

Access agreements finalised

Processing water confirmed

Engineering design completed

Fully funded

Fully permitted

Construction commenced.

Commissioning scheduled for first quarter 2021.



Maiden
product
shipment
imminent.



Low capex Stage 1 provides a springboard for rapid growth...

Low capex Stage 1 provides a springboard for rapid growth...

- Low capex.
- Rapid startup.
- Establish cashflow.
- Fund High Purity Manganese (HPM) from strengthened balance sheet.

**Only ten months from
announcing the PFS to
scheduled commissioning.**

Mn²⁵

341,000 t/a

annual Production over
40 year mine life



\$583 million

NPV₅ pre-tax



387%

IRR pre-tax



\$20.3 million

capital cost including
working capital



0 months

payback period
no debt



March 2021

commissioning
scheduled

Stage 2 expansion turbocharging cashflows to fund HPM...

- Incremental capital required.
- Financing being secured now.
- Flowsheet process proven.
- Rapid deployment.
- Fund High Purity Manganese from strengthened balance sheet.

Establish a globally significant low carbon manganese business in record time with minimal dilution.

Mn²⁵

1,023,000 t/a

Annual Production over 40 year mine life



\$1.138 billion

NPV₅ pre-tax



359%

IRR pre-tax



\$20.3 million

Incremental capital cost including working capital



6 months

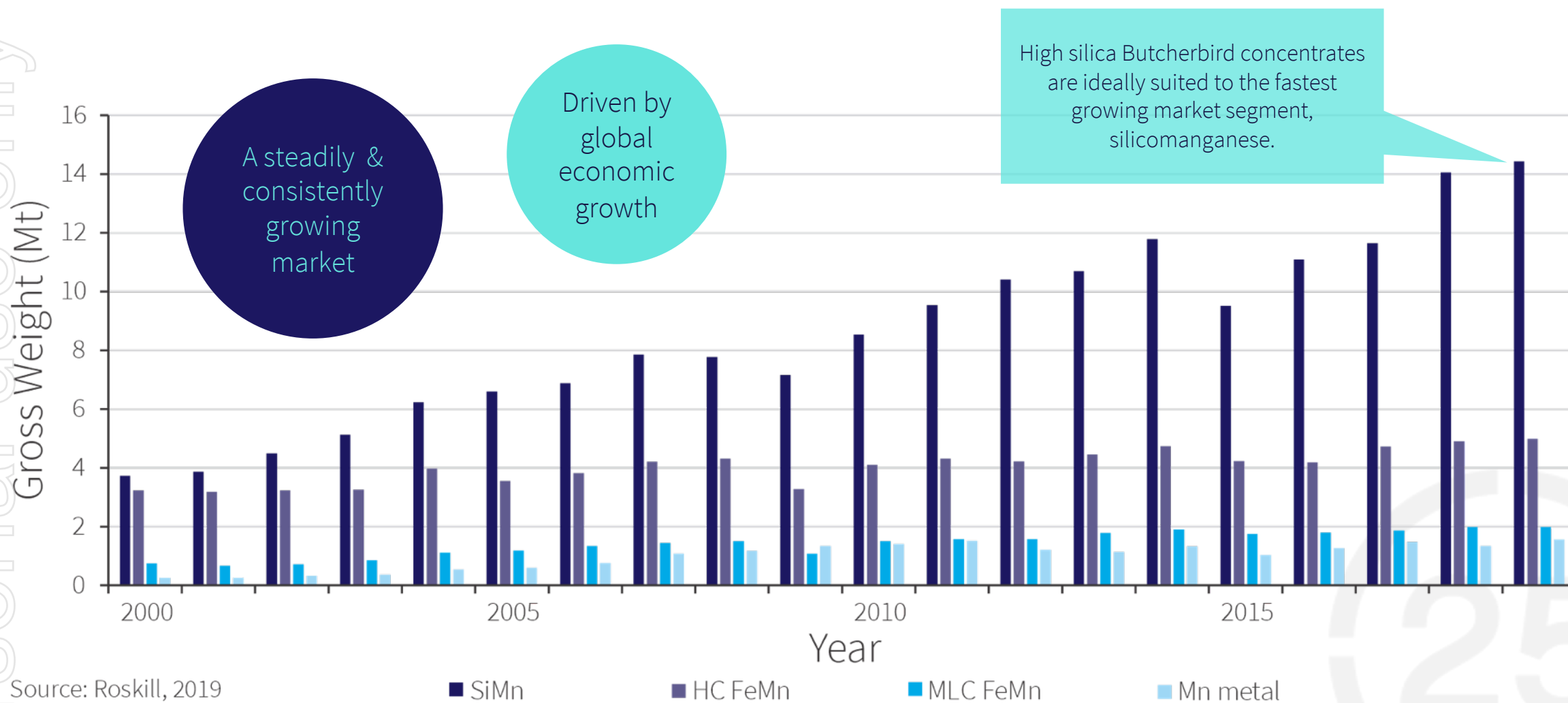
Payback period
Semeru Energy U\$5M debt



February 2022

Commissioning scheduled

“Old world” manganese demand continues to grow



New Energy Vehicle (NEV) Demand Growing MUCH Faster...

58% by 2040

percentage of new vehicles that will be EV or hybrid

54 million

EV passenger sales by 2040

from 2033

decline emissions from road transport

17.6M by 2040

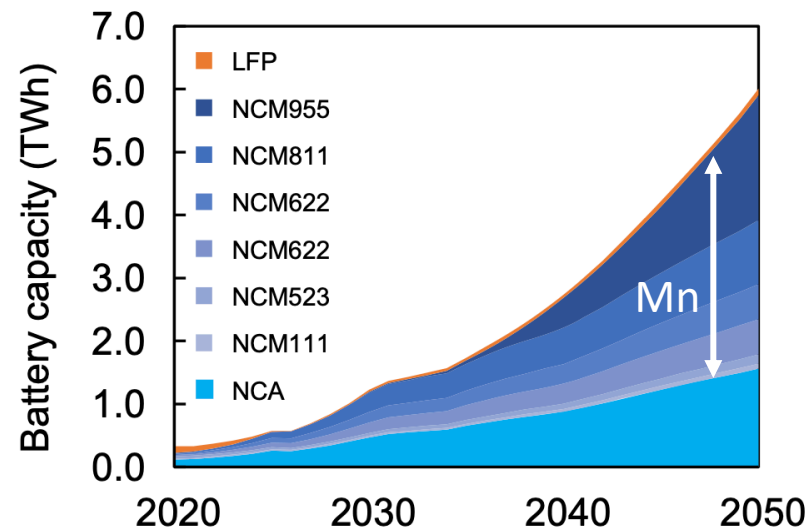
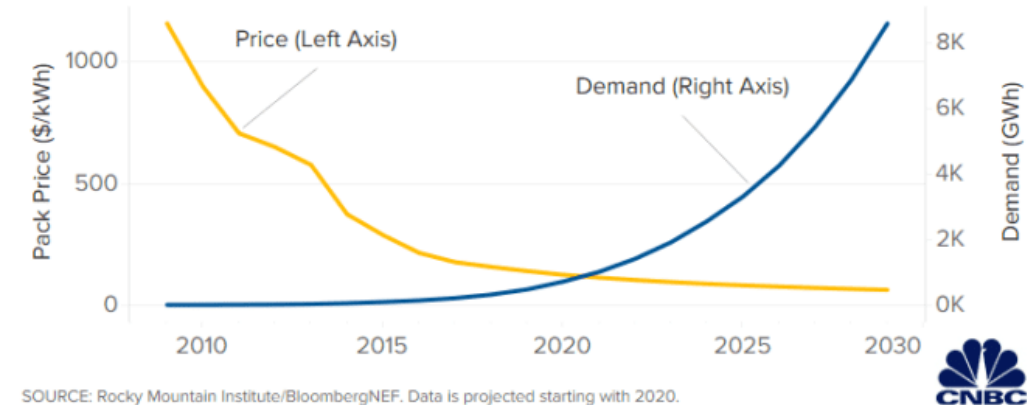
barrels of oil displaced by EVs each day

“It is reasonably straight forward to do a cathode that is two-thirds nickel and one-third manganese...”

Elon Musk, Tesla

Reference: <https://about.newenergyfinance.com/electric-vehicle-outlook/>

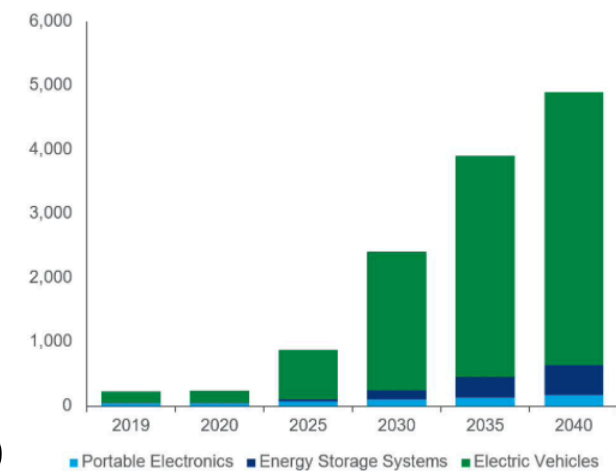
Li-ion battery market development for electric vehicles



- 10 -

Reference: <https://www.nature.com/articles/s43246-020-00095-x>

Global battery sector demand by capacity (GWh)



Reference: Wood Mckenzie

If not manganese, then what?

58% by 2040

percentage of new vehicles that will be EV or hybrid

54 million

EV passenger sales by 2040

from 2033

decline emissions from road transport

17.6M by 2040

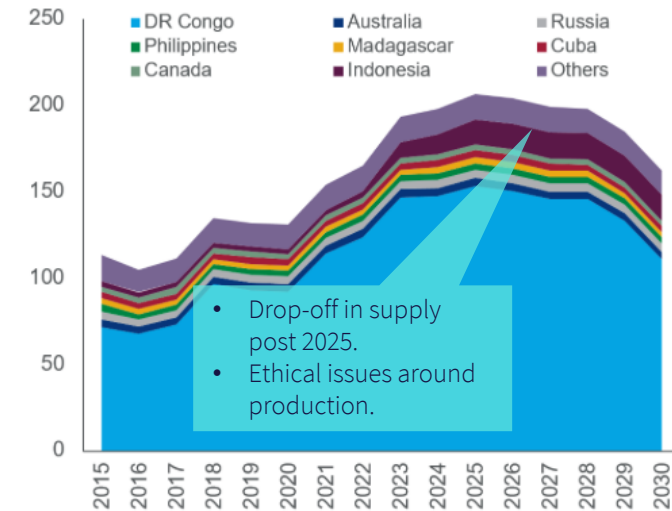
barrels of oil displaced by EVs each day

“It is reasonably straight forward to do a cathode that is two-thirds nickel and one-third manganese...”

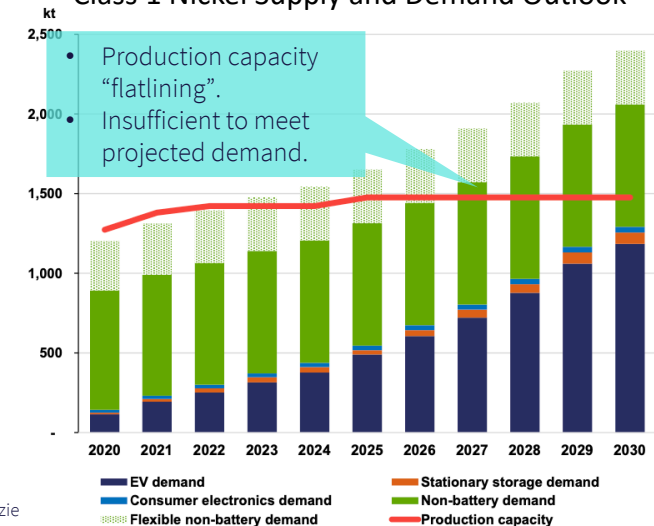
Elon Musk, Tesla

- Manganese (**Mn**) is the fourth most utilised metal globally.
- It is the cheapest, most abundant of the NMC cathode materials (**Ni,Mn,C**).
- Nickel and cobalt have supply constraints, manganese does not.
- For cobalt, there are serious ethical concerns around production methods.
- Manganese is perfectly placed to provide the material needed to satisfy the worlds hunger to electrify.
- **Battery makers have manganese rich cathode designs in their roadmaps post 2025.**

Global mined cobalt output (Kt)



Class 1 Nickel Supply and Demand Outlook



Zero Carbon Manganese™ – a no brainer...

Supply-chain decarbonization will be a ‘game changer’ for the impact of corporate climate action.

Nigel Topping, UNFCCC



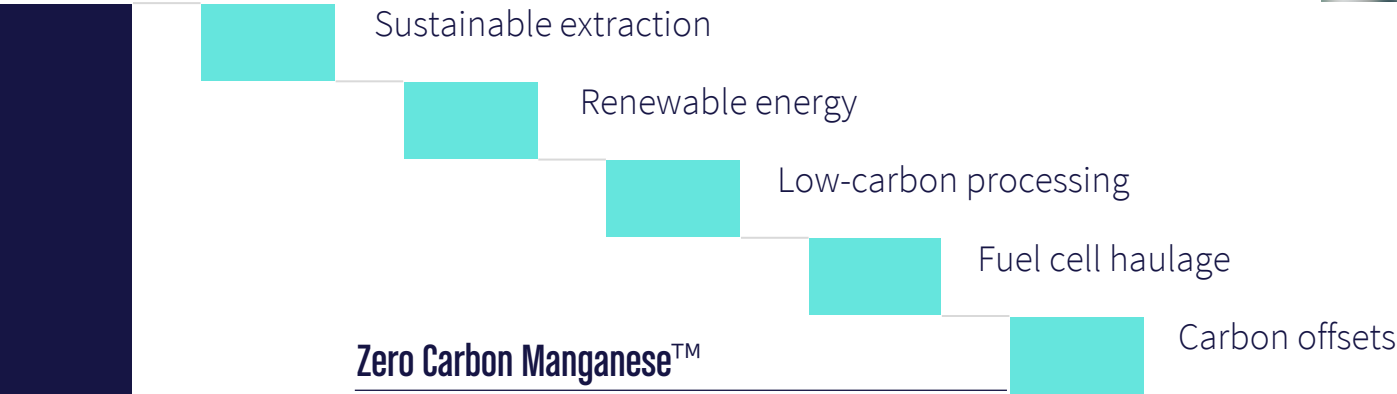
Sustainable Extraction



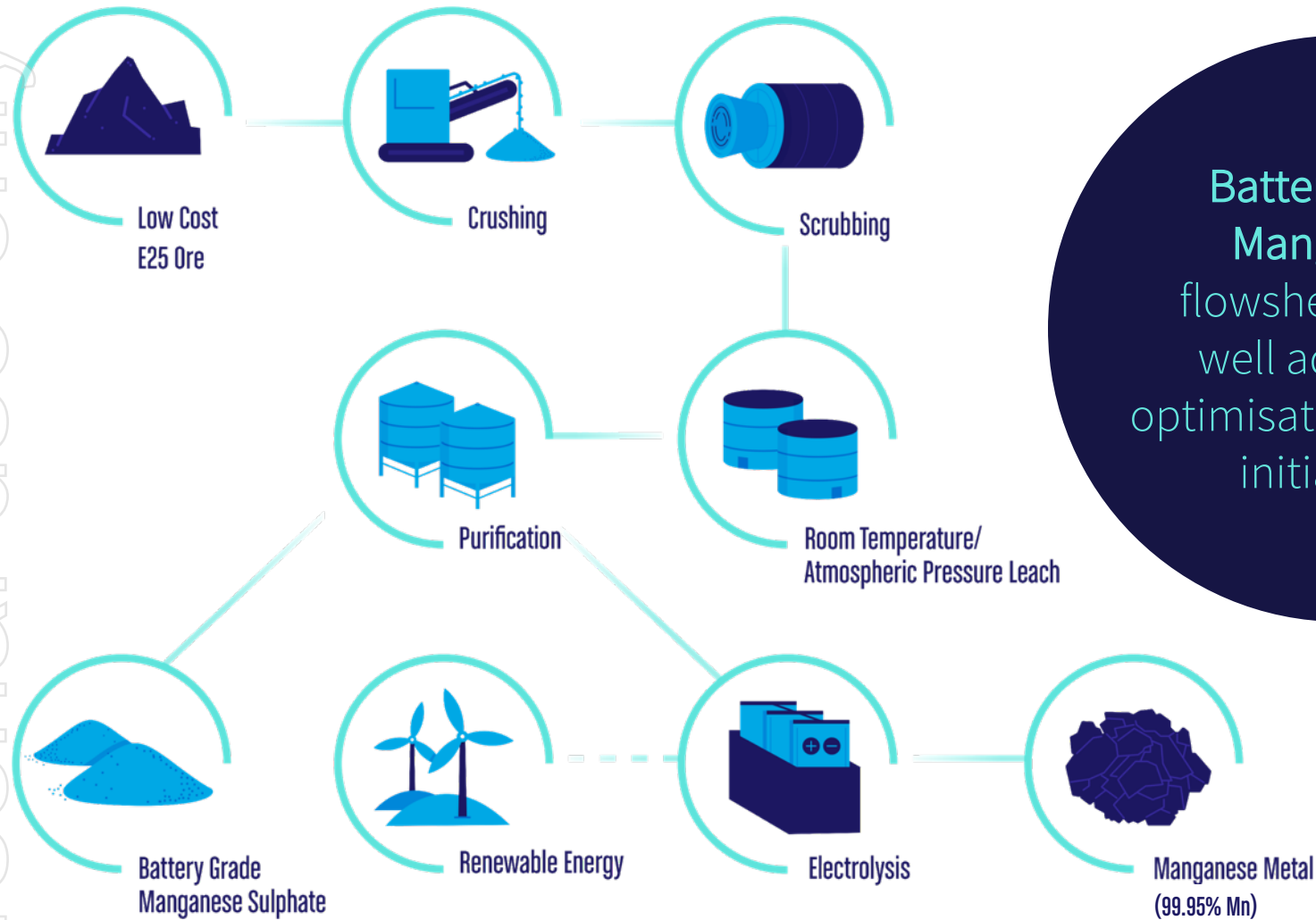
Renewable Energy
Powered Processing



New Energy Fuel



EV Fuel – Zero Carbon High Purity Manganese...



Battery Grade Manganese
flowsheet design
well advanced,
optimisation program
initiated...



Our Journey...

Stage 1

\$583 million NPV

Under construction
commissioning Q1 2021



Stage 2

\$1.14 billion NPV

PFS study complete
startup 2022



Stage 3

High Purity Mn

PFS study anticipated
for completion 2021



Stage 4

Decarbonise

Global benchmark for
Zero Carbon Manganese™

9 month plan

1.5 year plan

5 year plan

Cashflow

Low capital cost, rapid start up to establish E25 as a producer while minimising dilution.

Expansion

Improved resource utilisation, reduction in unit operating costs, increased operating cash.

The Prize

Position E25 as a globally dominant producer of high purity, sustainable manganese products.

Zero Carbon Manganese™

Best in class, zero carbon, ethically produced, scalable high purity manganese for global markets.

Thank you.

For more information, please contact Element 25 Limited:

+61 8 6315 1400

admin@e25.com.au

www.element25.com.au

Element (25)





Reserves and Resources

Maiden Ore Reserve¹

| Category | Tonnes (Mt) | Mn (%) | Contained Mn (Mt) |
|----------|-------------|--------|-------------------|
| Proved | 14.4 | 11.5 | 1.65 |
| Probable | 36.2 | 9.8 | 3.56 |
| Total | 50.6 | 10.3 | 5.22 |

Global Mineral Resource²

| 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 |

- 89% conversion of measured and indicated resources to reserve.
- Maiden Reserve only exploits approximately 20% of global mineral resource.
- Excellent potential for future expansion.
- More drilling has potential to add to global resource.

¹Reference: Element 25 Limited ASX release dated 19 May 2020.

²Reference: Element 25 Limited ASX releases dated 17 April 2019.

Competent Person's Statement

The information in this presentation that relates to Exploration Results is based on information compiled by Mr Justin Brown who is a full-time employee of the Company and is a member of the Australasian Institute of Mining and Metallurgy. Justin Brown 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'. Justin Brown consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

All references to Mineral Resources pertain to the ASX release dated 17 April 2019. The Company confirms that all material assumptions, underpinning the estimations continue to apply and have not materially changed.

All references to Mineral Reserves pertain to the ASX release dated 19 May 2020. The Company confirms that all material assumptions, underpinning the estimations continue to apply and have not materially changed.

For further information on Element 25 Limited and its Projects please visit its website at www.element25.com.au which contains copies of all continuous disclosure documents to ASX, Competent Persons' Statements and Corporate Governance Statement and Policies.

DISCLAIMER

The views expressed herein are not necessarily the views of the Australian Government, and the Australian Government does not accept responsibility for any information or advice contained herein.