

STELLANTIS COMPLETES FIRST US\$15 MILLION EQUITY INVESTMENT IN ELEMENT 25

- Global automaker **Stellantis** has completed a **US\$15 million (A\$22.6M at A\$1 per share)** first investment in Element 25 after conditions of the companies' agreement announced on 9 January 2023 were satisfied
- E25 will use proceeds from the investment towards its development of a battery-grade high purity manganese sulphate monohydrate (HPMSM) facility in the USA
- The agreement between Stellantis and E25 combines take or pay commitments for the supply of 45kt of HPMSM from the facility over five years and further funding of US\$15M structured as a pre-payment agreement to be repaid out of HPMSM supplied to Stellantis
- E25 also has an agreement to supply General Motors' USA Ultium Battery Plants with HPMSM, which includes a **US\$85M loan facility**, taking E25 project commitments to **US\$115M**.

Element 25 Limited (**E25** or **Company**) (**ASX:E25**) is pleased to advise the conditions precedent for the first investment tranche by global automaker **Stellantis N.V. (Stellantis)** comprising a **US\$15 million share placement** in E25 have now been satisfied and this transaction has been completed.

In accordance with the terms of the agreement, E25 has issued 22,569,967 shares to Stellantis at A\$1.00 per share for total proceeds of **A\$22,569,967**. E25 will use proceeds for planned engineering and construction activities to advance its proposed USA-based high purity manganese sulphate monohydrate (**HPMSM**) processing facility (**Facility**) which it plans to build in Louisiana, USA.

This follows E25's announcement on 9 January 2023 of the signing of a binding agreement (**Agreement**) with **Stellantis** to supply battery-grade HPMSM from E25's proposed facility in Louisiana.

E25's Agreement with Stellantis combines take-or-pay offtake commitments for 45Kt of HPMSM from the facility over five years with **US\$30M in two tranches of project funding** towards the facility capital cost. Tranche 1 of the funding comprises a **US\$15M equity investment in E25**. The further key commercial terms are outlined in detail in Appendix A to the announcement in January¹.

Completion of the first investment tranche represents an important step in the overall project financing, and in conjunction with E25's recently announced US\$85M financing facility with General Motors², now takes **project commitments to US\$115M** from two leading global electric vehicle manufacturers.

¹ Reference: Company ASX Release dated 9 January 2023

² Reference: Company ASX Release dated 26 June 2023

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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