

E25 COMMENCES BUTCHERBIRD STAGE 2 EXPANSION

Element 25 Limited (**E25** or **Company**) (**ASX: E25; OTCQX: ELMTF**) announces it will immediately commence detailed design, planning and procurement for expansion of manganese ore production at its 100%-owned Butcherbird Mine in WA in line with the expansion Feasibility Study (**FS**) released earlier in January 2024¹.

Expansion of the processing facility at Butcherbird aligns with E25's commissioning target date for its planned battery grade high purity manganese sulphate monohydrate (**HPMSM**) project to be built in Louisiana, USA in partnership with General Motors LLC and Stellantis NV².

Activities over the next three months will focus on detailed engineering and design, project financing and finalising the required permitting to support the commencement of construction in line with the project schedule.

In parallel with expansion activities, the Company will suspend Butcherbird's current production operations, aiming to reduce operational cash outflows and re-focus resources and available cash on implementing the expansion plan outlined in the FS.

Recent weak manganese prices support this decision.

E25 Managing Director Justin Brown said: *"Expanding the scale of operations at Butcherbird beyond our Stage 1 pilot plant has always been a part of our growth plans and given the outstanding metrics reported in the updated Feasibility Study released earlier this month, this is the ideal time to implement those plans to ensure we can increase production ahead of our Louisiana HPMSM facility commencing operation."*

"Given the current manganese price environment coupled with high interest rates and inflation, we will suspend current operations at Butcherbird to conserve resources and use available cash to achieve this goal. We understand this is a difficult decision for our employees, contractors and suppliers and not one we have made lightly, but it is intended to help E25 better position itself to reach its longer term goals."

The current schedule anticipates operations to recommence in approximately 11 months, following project financing being secured, when E25 will increase annual production to 1.1 million tonnes per annum of manganese oxide concentrate. Further detail and an updated schedule will be provided at conclusion of front-end engineering and design (**FEED**) which has now commenced.

¹ Reference: Company ASX Release dated 23 January 2024.

² Reference: Company ASX Releases dated 9 January 2023 and 26 June 2023

ABOUT ELEMENT 25

Element 25 is an ASX-listed company (ASX: E25) operating the world class 100%-owned Butcherbird Manganese Project in Western Australia and developing battery grade high purity manganese sulphate monohydrate (HPMSM) products for traditional and new energy markets. It aims to become an industry leading, world class, low-carbon battery materials manufacturer.

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.

Justin Brown

Managing Director

Email: admin@e25.com.au

Phone: +61 (8) 6375 2525

Media Inquiries:

Nathan Ryan

Email: nathan.ryan@nwrcommunications.com.au

Phone: +61 (0) 420 582 887

For personal use only

