

## E25 SECURES USA SITE FOR HPMSM REFINERY

Element 25 Limited (**E25** or **Company**) (ASX: E25; OTCQX: ELMTF) is pleased to advise it has entered into a binding term sheet (**TS**) with Veolia North America (**Veolia**) to secure a site for E25's planned high-purity manganese sulphate monohydrate (**HPMSM**) refinery in Louisiana, USA (**Project**).

### HIGHLIGHTS

- The greenfield site in Burnside, Ascension Parish, Louisiana, is located adjacent to an existing sulphuric acid production and regeneration facility owned and operated by Veolia.
- E25 secures a ~35-acre (14 ha) parcel of land at prevailing market rates from Veolia.
- Sulphuric acid, natural gas, water and return water agreements to be established in parallel with the land purchase agreement.
- Sulphuric acid to be supplied at agreed contract rates over a 20-year term via pipeline from the Veolia facility.
- Signing of a binding term sheet represents a significant step forward for the Louisiana HPMSM Project.
- Completion of the transactions contemplated by the TS are conditional on:
  - Execution of definitive agreements by 30 June 2024.
  - E25 obtaining project finance and reaching a final investment decision (**FID**) prior to 30 August 2024.
  - E25 and Veolia to work closely to execute definitive agreements within the agreed timelines.
- The TS also includes provision for E25 to lease a temporary laydown area from Veolia during Project construction.
- The next anticipated milestone is the granting of the air permit, a key construction permit required for the Project.



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**Element 25 Managing Director Justin Brown said:**

*“E25 aims to be a leading source of high quality, vertically integrated, traceable and ESG and IRA-compliant battery material to the global electric vehicle industry. Construction of our HPMSM facility in the USA – the first of its kind there – requires a project site with the necessary services and utilities and access to sulphuric acid as a key reagent, to allow the Project to proceed. The Veolia site meets these requirements, and we are pleased to have signed this TS with Veolia as an important step forward in Project execution.”*

The TS contemplates several parallel definitive agreements and completion is conditional on execution of these contract documents as well as securing project financing and E25’s Board reaching FID before 30 August 2024 (or such later date as the parties may agree).

**The definitive agreements to be executed no later than 30 June 2024 in the TS include:**

1. the Land Purchase Agreement;
2. the Sulphuric Acid Supply Agreement;
3. the Road Easement Agreement; and
4. the Utilities and Services Agreement and Temporary Lease Agreement.

**Veolia North America CEO of Sustainable Energy Solutions Stu Thomas said:**

*“As part of our Green Up strategy, we are pleased to contribute to the vehicle electrification value chain alongside Element 25. This operation will be complementary to our Burnside facility, bringing positive economic impact to Ascension Parish, and also have a long-term societal benefit to the energy transition.”*

E25’s civil engineering works for the HPMSM project have to date been based on the Veolia site. It brings together a number of important synergies to support the long-term competitiveness of the E25 facility. Under the Sulphuric Acid Supply Agreement, Veolia will provide long-term secure sulphuric acid supply and agreed tariffs.

E25’s application for an Air Permit, expected to be granted in the coming weeks, used the Veolia site as the Project location in terms of the approval process. The signing of the TS is an integral step in bringing these threads together to optimise the overall Project schedule.

Securing a Project site is a significant milestone in E25’s agreements with General Motors (GM), one of E25’s partners in the HPMSM project. GM have committed U\$85M in senior secured debt funding to the Louisiana Project<sup>1</sup>. GM’s investment is in parallel to the investment by E25’s second offtake and funding partner Stellantis N.V. (Stellantis).

Project financing activities and detailed engineering are ongoing as the HPMSM team progresses the Project closer to FID and commencement of Project delivery. The Company looks forward to bringing further updates as these milestones are achieved.

<sup>1</sup> Reference: Company ASX Release dated 21 February 2023

## About the E25 Process

Element 25 has developed an innovative, advanced processing flowsheet to convert Butcherbird manganese concentrate into high purity manganese sulphate monohydrate (**HPMSM**), a critical raw material for the manufacture of lithium-ion batteries. The proprietary flowsheet reduces energy consumption, virtually eliminates solid waste and delivers the lowest carbon intensity HPMSM globally based on publicly available information<sup>2</sup>.

The process offers a pathway to the delivery of expanding volumes of ethically sourced, traceable, transparent HPMSM supply to US markets. Element 25 is developing a first of its kind processing facility in Louisiana to produce up to 135Kt per annum of HPMSM for US electric vehicle (**EV**) supply chains<sup>3</sup>.

## ABOUT ELEMENT 25

Element 25 is an ASX-listed company (**ASX: E25**) that operates the world-class 100%-owned Butcherbird Manganese Project in Western Australia and is currently undertaking activities to expand production to approximately 1.1Mtpa of medium-grade high silica manganese ore for use in traditional and new energy markets.

E25 is also commercialising innovative proprietary technology to produce battery-grade high-purity manganese sulphate monohydrate (**HPMSM**) for use in Electric Vehicle (**EV**) battery manufacturing. The Company plans to build its first HPMSM refinery in Louisiana, USA, to produce raw materials for the US EV market, in partnership with General Motors LLC (**GM**) and Stellantis N.V. (**Stellantis**). E25 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](http://www.element25.com.au).

This announcement is authorised for market release by Element 25 Limited's Board of Directors.

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## ABOUT VEOLIA

Veolia group aims to become the benchmark company for ecological transformation. Present on five continents with nearly 218,000 employees, the Group designs and deploys useful, practical solutions for the management of water, waste and energy that are contributing to a radical turnaround of the current situation. Through its three complementary activities, Veolia helps to develop access to resources, to preserve available resources and to renew them. In 2023, the Veolia group provided 113 million inhabitants with drinking water and 103 million with sanitation, produced 42 million megawatt hours of energy and treated 63 million tonnes of waste. Veolia Environnement (Paris Euronext: VIE) achieved consolidated revenue of 45,351 million

<sup>2</sup> Reference: Company ASX Release dated 21 February 2023

<sup>3</sup> Reference: Company ASX Release dated 12 April 2023

euros in 2023. [www.veolia.com](http://www.veolia.com)

**About Veolia North America:** A subsidiary of Veolia group, Veolia North America (VNA) offers a full spectrum of water, waste and energy management services, including water and wastewater treatment, commercial and hazardous waste collection and disposal, energy consulting and resource recovery. VNA helps commercial, industrial, healthcare, higher education and municipality customers throughout North America. Headquartered in Boston, Mass., Veolia North America has more than 10,000 employees working at more than 350 locations across the continent. [www.veolianorthamerica.com](http://www.veolianorthamerica.com)

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